

Local Human Development's theoretical and methodological framework

Alfonso Dubois Migoya

December, 2015



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December 2015

ISBN: 978-84-16257-10-2

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Layout and design: Marra, S.L.



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Funded by: Research Group on Human Security, Human Local Development and International Cooperation (IT816-13), of the Basque university system.

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Introduction



Our research team, which belongs to the Hegoa Institute, has adopted the local human development (LHD) approach as a theoretical and normative guide for the study and creation of development strategies. This text presents the theoretical and methodological elements considered relevant when it comes to applying this approach to research into specific experiences.

The proposal to begin with the local dimension in order to confront the imbalances of globalization has taken on particular relevance in recent years and this has been seen in many initiatives in the field of development policies. With this proposal, an action plan is proposed for local communities (at their different levels) which seek the genuine development of people and groups within the situation of globalization. The goal is to empower the local community in such a way that it can exercise greater control over the mechanisms that define its development conditions, not simply to consider development as an option or a defence, but as a new way of building global society.

Creating a theoretical and methodological framework is essential for work on an alternative view of development. If we do not have categories and instruments that allow us to understand and alter reality from the perspective of human development, it is impossible to make progress in terms of its construction. This is the challenge set by the proposal of this framework: to offer elements for understanding reality and to have available instruments in order to intervene in it.¹

Creating the methodology is not an abstract process but rather necessarily refers to the context, since it has to be able to help answer the questions put by reality. Therefore, the methodology is fed by and faces up to the problems that this reality presents. Its starting point is that we are currently facing profound changes in which the responses that were formerly applied are no longer effective, because they were responses to questions posed in another context. The rupture between contemporary experience and traditional thought obliges us to return to the questions. This involves identifying the new questions to be asked; questions that do not arise from abstract concerns but from the effort to understand the “extraordinary events of this century”. The methodology needs to be both operative and open, and it requires these characteristics in order to be applied to a changing local and global setting. Furthermore, the methodology must be constantly revised in order to be consistent with the challenge of offering an alternative focus, given this changing context.

¹ Bastiaensen et al. (2015) offer a capability-based analytical framework proposal for rural development that offers many parallels with our work.

I. Revising development



The first question facing the methodology, in order for it to be consistent with that stated above, is the identification of key features of the current development debate, in such a way that the challenges and demands of an alternative proposal are properly defined. The goal is not to present a closed diagnosis, but to set out the challenges and opportunities that the current scenario presents.

Nobody denies that the current global scenario is characterised by a series of change processes of remarkable scope and depth. Consequently, there is a general reaction that recognizes that the current economic order cannot continue and that we are entering a period of uncertainty and vulnerability in which nature's limits will mark the worldwide economy to a significant extent.

However, varied and divergent positions exist with regard to what needs to be revised. To analyze the scope of each position, proposals will be considered according to their responses to the central challenges, divided into the following four groups:

- a) the normative dimension: what priorities are considered as goals to be achieved for people and society; how the desired society is envisioned; what that society's models of reference should be;
- b) the natural dimension: a reconsideration of the relationship between humans and nature, which leads not only to a reconsideration of the contents of well-being, but also the forms of production;
- c) the cognitive dimension: what new categories and theoretical and political tools are needed to build this future, which looks to be complex and uncertain;
- d) the global dimension: the planetary dimension of the challenges requires a global approach and also a new articulation of the different levels of political action, giving greater priority to the local.

1. The crisis and the development debate

The debate on development has opened up within the capitalist economies as a result of that stated above. It is important to emphasize that this has not come about as a consequence of the crisis which broke out in 2008, although this has intensified it, but rather this is a crisis of the development model that has arisen from a confluence of various processes:

- a) the increasing questioning of the development model's sustainability, given the environmental degradation and the excessive consumption of non-renewable natural resources, which makes it impossible to implement this model universally;
- b) the growing presence of women as essential agents, which brings to light the weaknesses and deficiencies of the model when it comes to a satisfactory consideration of the priorities and policies required to achieve gender equality;
- c) the new framework of globalization which is triggering a series of changes that are altering relationships among countries, which now demonstrate strong interdependence;
- d) the gradual imposition of a social project led by capital that goes beyond the consequences of the financial crisis, which advocates the privatization of politics and tends towards the progressive privatization of the State itself; and, perhaps most serious of all,
- e) the debilitation of the model's legitimacy given that it has not resolved basic questions of justice, such as the eradication of poverty and the accomplishment of greater equality among countries and people. In fact, recent decades have been marked by an increase in income inequality both within and among countries.

Although there is a consensus about the need to proceed with a revision of the development model, the diagnoses made of the situation vary greatly. The central matter is to define the nature of the social change we are facing. Here it is important to indicate three lines of response, with those who say that what is happening is: a) a change that involves a large degree of continuity, one that the system can assume through adaptation; b) a change requiring the modification of structures; c) a change that demands a new, alternative proposal.

As a result, the revision proposed by each of these groups differs substantially: i) in the first two cases, the revision of processes and policies is proposed, while goals and priorities remain unaltered or are slightly modified; ii) in the third case, there is a revision of the development goals themselves and, therefore, also the processes. The consequences are very different according to these positions: in the former case, change is limited to proposing reforms of how the system works; in the latter, there is a reconsideration of the system's foundations in order to build an alternative.

A novel characteristic of the debate is the questioning of the theoretical assumptions and analysis tools used by the economy's hegemonic currents. The challenges of a changing reality, one that looks to be complex and uncertain, have meant that many economists are now revising the dominant theoretical and methodological assumptions. This matter will be dealt with below, with an analysis of system capacity from the perspective of the inadequacy of conventional approaches when it comes to tackling complex problems.

2. The central tasks: rethinking development from the ethical dimension

Given the diagnosis that the current economic order cannot continue and must change, what change is needed? A growing number of people defend the response that the central question is to imagine and create a habitable world. If, moreover, it is considered that justice must form part of any proposal, what is at stake is that the desirable and possible future meet standards of equity and dignity for people. The old proposals are no longer a possibility; not only because they are nonviable or because they have shown their ineffectiveness, but above all because they do not consider justice as a lodestar. The inescapable question is that we have to ask ourselves what we want to be in this context, and to understand where we are starting from and how to advance.

Although in past decades the ethical dimension was practically abandoned, or relegated to a secondary role, recently in the writings of the official development institutions a certain change has taken place and the inclusion of ethical matters is accepted. This leads to a two-fold consideration; i) that normative approaches are no longer marginal, but now form a part of the debate; and, ii) that, precisely for this reason, it is necessary to differentiate the alternative goal of including justice as a reference point from other proposals that limit themselves to secondary normative criteria, or even opportunistic ones.

Revising development from the viewpoint of the ethical dimension's demands means designing the future and beginning to build it. The future is not built through improvisation; it is necessary to have a design of what is desired, of what is sought. This does not mean what is required is a final, closed and completed model, but rather that we need a proposal for the future that is considered to be worthwhile as a guide for its creation. How is such a design to be made?

3. Revising the concept of wellbeing

A key element of the current debate on development is directly confronting the question of wellbeing, which has become development's new guiding principle. It is a matter of asking the questions: what does it mean 'to be well'; what is a life well lived? It includes satisfying the goals that a person sets for her or his life and those that a society sets for itself.

The definition of a wellbeing that is considered to be valuable falls to each society and will be the result of a process of group deliberation that occurs differently in each place. This does not mean being ignorant of or denying the existence of common and universal elements regarding the conditions needed for human life to be considered worthwhile, but rather emphasizing the need for participatory processes of self-definition to be in place, without external conditioning or impositions.

Based on this understanding, asking what wellbeing is, is a key question when it comes to defining what kind of economic and social model to propose. It could be said that

it goes beyond what has conventionally been considered the debate on development, putting in on a new level. However, it is not enough to propose wellbeing as a new yardstick; it is necessary to specify its content, given that there are very different understandings of what it is.

The questioning of per capita incomes as an indicator of wellbeing and development

Initiatives have arisen from different positions seeking new indicators given the growing conviction of the inadequacies of per capita income as a valid parameter to measure people's wellbeing. The hegemony of this indicator is a demonstration of a certain conception of wellbeing, established by utilitarian philosophy which identified it as the material set of available goods. This revision process includes proposals by the European Union (*Beyond GDP*)²; the OECD (*Measuring Progress*)³; and the French⁴ and British governments. One of the most widely disseminated is the OECD's *Better Life Index*, based on the recommendations of Stiglitz, Sen and Fitoussi (2013) for developing new ways of assessing material wellbeing and quality of life.

These initiatives, although they are interesting because they mean recognizing the need to broaden the dimensions to be taken into consideration when defining wellbeing, and so opening up a space for debate that has until now been closed for the authorities, have had very limited practical repercussions. Furthermore, their scope is limited to finding proposals for indicators that allow a greater understanding of people's lives, without allowing this revision to question the foundations of the economic model; instead what is proposed are simply reforms of specific policies. In any case, they propose a field of confrontation with those who advocate alternative revisions.

Alternative visions of wellbeing

There are processes other than the initiatives stated above that aim to draw up new formulations of wellbeing, which break with the dominant views of economic development. The 21st century has opened up a new scenario, with strong claims for new visions of wellbeing, of a good life, being made; these are not merely critical of but often directly contradict the priorities of modernization. It is important to highlight the role played by the social movements in this redefinition process, not only because they are carriers of new ideas, but also because they are actors in their realization. It would occupy too much space to list the different initiatives now underway, but the sources for these can be grouped into four major sections, which are.

1. The new view of nature and the relationship between humans and nature. The serious and increasingly negative effects of the dominant model on the planet (climate change and the depletion of natural resources) has meant a

² See: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+REPORT+A7-2011-0175+0+DOC+XML+V0//ES>

³ See: <http://www.oecdbetterlifeindex.org/es/>

⁴ See: <http://www.stiglitz-sen-fitoussi.fr>

reconsideration of the goals of wellbeing, which involves a revision of the growth model. This process is approached globally, for all countries. It becomes a necessary rule to follow when setting wellbeing goals for the planet as a habitable place for humans. There are, however, great differences in terms of emphasis when such a revision is proposed. The alternative viewpoint goes beyond the search for technological solutions which seek sources of non-polluting renewable energy or changes in consumption, what is often called the *green economy*. This is a paradigm change that affects the assumption of unlimited growth, the dominant anthropocentric conception, the consideration of nature as an instrument, etc.

2. The different visions of *being well* of different cultures. Those which are critical of Western understandings of development, which have dominated the international scene, made from other cultures are today encountering a better reception, both within the countries that propose them and beyond, even though they have long been expressing their profound disagreement with the economics-centred conception of modernisation. The outlook of Andean peoples, known as *sumak kamsay* or *sumak qasaña*, is increasingly recognized. However, this is not the only Latin American vision: from the Mayan worldview to those of the different indigenous Amazon peoples, there is a wide range of proposals that require the establishment of a dialogue among very different ways of understanding what it means to live well. A common characteristic is the introduction of a different, richer and more complex viewpoint.
3. Feminist economics questions the dominant economic model. At a theoretical level, feminist economists have developed an alternative framework that goes beyond considering the exclusion and discrimination of woman, and gender inequalities. They propose a framework that conceptualizes the economy as a whole, the market, paid and unpaid work, production and the social reproduction of care. Feminist economic concepts have many points of contact with moral economies that are based on cooperation, reciprocity, which are oriented towards need and that emphasise the importance of giving and of care to satisfy needs.
4. The capability approach proposal as a normative proposal for alternative development. Starting from a redefinition of wellbeing, the human development approach aims to offer an alternative. For this to happen, as well as proposing new evaluation parameters, it proposes new categories for interpreting reality and the design of policies that lead to achieving new development goals.

II. The normative aspect of human development: the concept of wellbeing



The central characteristic of human development is the introduction of the normative dimension into the very definition of development, which involves the revision of the concept of wellbeing and proposal of this as a yardstick when it comes to evaluating development. It is this concept of wellbeing, which merges with the space of people's capabilities, and not with a society's total economic resources measured by the market, that allows it to be put forward as an alternative proposal. This means not only adopting wellbeing as a development rudder, but also offering an alternative definition of what it is. A detailed clarification of the contents of wellbeing is an essential matter for human development.

1. The theoretical basis: the capability approach

The capability approach is the theoretical basis of human development. Its original formulation was carried out by Sen, although there have been later contributions that have expanded it and opened up new perspectives. It is a normative framework that establishes the space that must be considered in order to ensure that it is really people and the quality of their lives that are what guides the wellbeing proposal. Its novelty and potential lies in this, in establishing that it is from the viewpoint of people's capabilities where it is possible, indeed necessary, to assess people's total quality of life, and not from the viewpoint of resources or material outcomes. However, this does not mean that a specific content is deduced of the capabilities considered to be priority. There are no guidelines for determining what is considered to be valuable; rather, each culture must specify the criteria for carrying out this evaluation.

The concepts of functionings and capabilities form the theoretical basis of the human development concept. Wellbeing is achieved when life, the set of a person's actions and states, acquires a certain quality. Assessing the quality of life means assessing these situations, this set of actions and states.

Stating that the evaluation of wellbeing needs to be done based on functionings and capabilities does not mean that the problem of evaluating wellbeing is now resolved. Not only are there major differences between what certain functionings and capabilities mean when it comes to achieving wellbeing, but that some are even negative in this respect. However, it is necessary to define an evaluative process that allows the assessment of different functionings and capabilities. It is important to specify the relevant functionings and capabilities and, based on this list, set goals and design human development policies.

A central part of the capability approach is that it sees people's lives as a whole, in which material and spiritual dimensions are included. Human life is not fulfilled simply by covering material needs, but by moving towards goals that are beyond these needs, goals such as leisure, pleasant relationships with other beings or a commitment to community. It is clear that, from this point of view, the definition of wellbeing is more complex. Firstly, it goes far beyond the usual proposals based on basic needs; and it also proposes the need for collective processes of public discernment that allow the contents of this wellbeing to be defined. From this a central element arises: for a society, a community, to live in accordance with a concept of wellbeing of certain characteristics, it needs a consensus about what the goals of a valuable life are.

It is important to make progress in terms of an alternative wellbeing proposal based on these theoretical foundations. To begin with, it is crucial to signal the existence of two ways of understanding the capability approach: a) a narrow vision, in which the approach deals strictly with evaluating a person's functionings and capabilities; b) a broad vision, that involves not only the evaluation of people's lives, but also that acts as a normative framework for the assessment and design of policies and social institutions. In this second case, the capability approach is a valid conceptual framework for a range of normative exercises for evaluating: individual wellbeing, social agreements and the design of policies and proposals for social change in society.

Three characteristics of wellbeing within human development can be identified:

- i) It is understood both as a result and as a process⁵. It is a dynamic and relational concept that needs to have its contents defined both in terms of the results that happen in people and in society, and in the processes that are carried out in order to achieve those results, which, in turn, form part of the very concept of wellbeing. Both the results and the way in which they are achieved are important. Not any procedure is valid to produce human development.
- ii) The consideration of the social or collective dimension as part of the concept. In this study, a position is firmly adopted that conceives wellbeing with particular emphasis on social dimensions, without which it is impossible to understand the process of obtaining wellbeing.
- iii) Sustainability, understood in its sense of durability, of a guarantee of achievements having continuity, which is specified in the category of human security. Any development that aims to be human must include human security. This proposal of human security is acquiring an ever more important place, given the insecurity, uncertainty and volatility due to the way that globalization is occurring at present.

⁵ On this point, see: Deneulin S. and Shahani, L (2009: 24 - 32).

2. Human development and women

Feminist currents have maintained a critical position with regard to most formulations on the equality of rights and in other areas such as poverty, inequality and wellbeing, for taking as a starting point concepts that do not include the specific nature of women's situation. Based on this premise, their aspiration to abstraction and neutrality in terms of the difference of the sexes is discriminatory towards women.

Up to what point can human development offer a framework able to include the demands of gender equality? There is a consensus in considering that the capability approach, over and above the applications of this approach carried out by the United Nations Development Programme (UNDP) in its annual reports, is a valid conceptual framework for tackling gender inequality. The basis of this consensus begins with the consideration that the evaluative space proposed for making interpersonal comparisons, that is, capabilities, opens a window for an appropriate incorporation of the situation of women in the assessment of wellbeing. Yet even considering this initial agreement, opinions about how appropriate it is vary greatly.

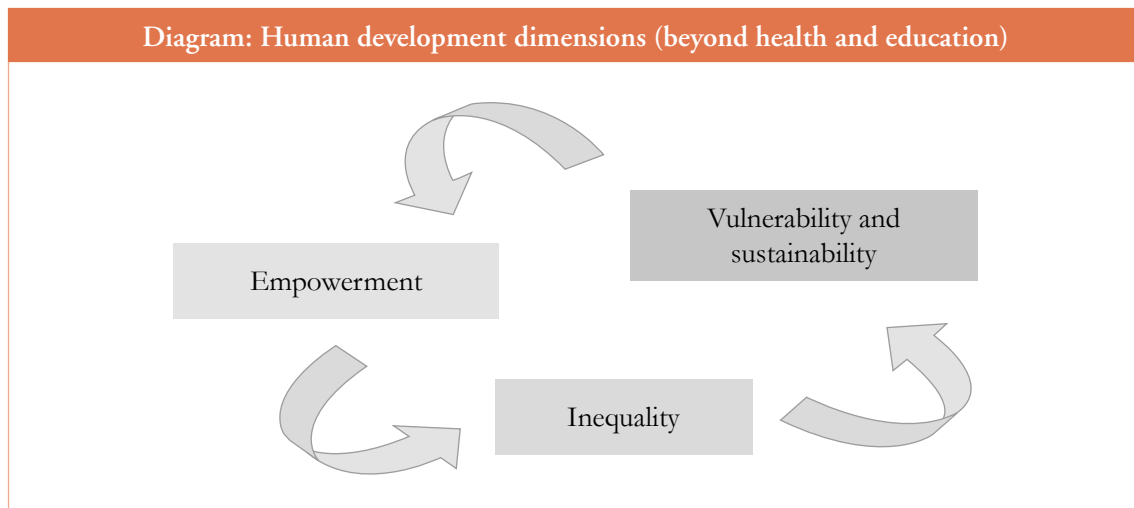
Not any evaluation that is based on a capability approach brings guarantees of taking the gender dimension into consideration sufficiently. For this evaluation to be acceptable, it will have to include certain determined specifications: i) gender differences when analyzing the conversion of resources into functionings; ii) gender differences when considering what should be the priority sets of capabilities; iii) the interaction of gender in personal responsibility and choice.

In short, a capability approach requires greater specifications from a feminist perspective and a concern that this approach be interpreted appropriately, avoiding an androcentric slant, should be maintained. In any case, it has a much greater potential to tackle gender matters than other theories of justice and wellbeing.

3. The definition of human development in the UNDP Reports

The UNDP's *Human Development Reports* are an important reference, although by no means the only one, for the human development approach. In the first report, from 1990, the definition was: "*Human development is a process of enlarging people's choices. The most critical of these wide-ranging choices are to live a long and healthy life, to be educated and to have access to resources needed for a decent standard of living.*"

In the 20th report, published in 2010, the concept of human development is revised to adapt it to current demands. This report involves an important change of emphasis by proposing a new definition that introduces the collective dimension as an integral part of human development. The new definition is reformulated as: "*Human development is the expansion of people's freedoms to live long, healthy and creative lives; to advance other goals they have reason to value; and to engage actively in shaping development equitably and sustainably on a shared planet. People are both the beneficiaries and drivers of human development, as individuals and in groups.*" (UNDP, 2010).



This reformulation highlights the basic foundations of human development: its sustainable, equitable and empowering nature, and its flexibility. Although other UNDP documents had introduced categories that took into consideration collective dimensions, especially the process of capacity building, one of whose central elements is group capabilities, a more integrated consideration of them at the heart of the conception of human development was lacking. The 2011 report, *Sustainability and Equity: A Better Future For All*, follows this line and emphasizes the link that exists between these two basic dimensions of human development foreseen in the 2010 report.

In the new definition, the very heart of human development is each society's capacity to define and move towards its chosen future, which involves a collective way of working, and with this to respond to common goals characteristic of human development. This definition stresses the importance that the collective dimension has in the human development proposal, in two respects:

- i) that collective wellbeing has its own value, not only as an instrument for achieving the wellbeing of people;
- ii) that the collective dimension involves paying attention to the relationships that occur among different agents, whether individual or social, in the definition of their goals and ways of achieving them. Development consists of the appropriate operation of all the agents involved in the communal process of deciding about their future.

In other words, there is no development if there is no capacity to set in motion a collective process. For this reason, the relationships among agents are crucial. What conditions have to be present so that the interaction among all parties produces a result that allows society to work as an ensemble? Collective wellbeing involves this smooth running, and it will be hard to achieve results in terms of collective wellbeing without the existence of common goals. It is impossible to imagine strong relational capabilities without those goals; and their quality and degree of acceptance

will promote the creation of specific group capabilities. In short, without common concerns, collective effort does not have stimuli.

4. The individual dimension of wellbeing

The definition of individual wellbeing is the result of a combination of: i) objective parameters; and, ii) individual assessment of what each person considers to be valuable. Although it is crucial to know subjective assessments, and without undermining the strength of this statement, our framework disregards looking at this second question at this stage, since it would require time and resources that go beyond the scope of this study. It is enough, for now, to indicate its importance and put it down as a pending issue.

When talking about determining wellbeing this does not mean defining the last desirable horizon for a person, but rather setting the necessary conditions that allow people to define the horizon they consider it valuable to reach. That is to say, there is no final or ideal proposal of what wellbeing is; instead it is a thing that can be built individually and collectively as people put their capabilities into practice. For this, in the first instance, it is a priority to assess whether, in each society, those individual wellbeing goals are achieved which, from the human development perspective, are considered minimum requirements in order to state that people can function as such.

Identifying basic capabilities does not mean that the contents of wellbeing have now been established, only those capabilities that are essential to begin the process of achieving wellbeing. Therefore, it will be necessary to continue to define other capabilities that are valuable and necessary for improving wellbeing.

Determining individual wellbeing from this perspective has resulted in an abundant literature both within and beyond the human development focus. It is not easy to come to a consensus about resolving which capabilities are the ones that should be selected as pertinent and who should decide (or how the decision process should be) when it comes to ways of bringing together the different dimensions of an integrated assessment.

Nussbaum's central capabilities

Let us begin by considering that the most appropriate proposal for our purposes is the one made by Nussbaum, who introduces an objective normative criterion that is more radical and, above all, more precise than Sen's. Nussbaum provides a defined list of capabilities, which, she argues, should be enshrined in each country's constitution. For this she establishes a precise list of basic capabilities. It is not a matter of accepting it acritically, but of taking it as a suitable starting point for the definition of a person's central capabilities. Furthermore, her proposal does not limit wellbeing to purely personal advantages, since it includes relational capabilities with regard to other creatures and groups and with both living beings and the environment. It is not enough to consider these relational skills as collective wellbeing processes, which will be dealt

with below, since they make reference to the personal relationships that each individual maintains with the different human groups (family, community, institutions,...).⁶

Starting with this list, a debate opens up about adapting individual and relational capabilities within different cultural contexts, making it clear that in no case should the list be set without the full acceptance of each society.

5. The social or collective dimension of wellbeing

Individual wellbeing cannot be understood unless it is put into context within the broader process of social wellbeing. This collective process is understood: a) as an instrument, since without it, it would be very difficult for people to be able to achieve their own wellbeing; and, b) as a goal in itself, because it is considered that group values and capabilities form a part of wellbeing.

For a time, the collective dimension was the aspect emphasized least about the capability approach. The central matter, when talking about collective capabilities in human development, is to ascertain what the collective spaces for evaluation are. In the case of individual capabilities, this alternative evaluative space has been sufficiently defined, although this does not mean that the debate about forms of specifying it has been closed. However, when dealing with collective capabilities, the debate about how they should be understood and their relation to the capability approach is fully open.

There are two lines involved in specifying the theoretical categories that allow the social dimension of wellbeing to be put into practice, and which arise from the human development approach itself and that today are the object of special attention: human security and capacity building. Furthermore, the concepts of public goods and social capital are proposed as appropriate categories for analysing and building collective wellbeing.

Human security (HS)

The HS proposal focuses on a concern for the predictability of wellbeing, understood within the human development paradigm. This conception, forgotten in the years following its formulation in the 1994 UNDP Report, even among advocates of human development, is today taking a more central position.⁷ Beyond the new threats to conventional security, the current globalization scenario has brought a recovery of interest in HS as a useful approach to analysing the difficulties and obstacles to achieving human development. This is the case because one of the central manifestations of the crisis is that of ever more frequent processes of volatility and uncertainty, practically guaranteed within the current model, which occur in an interconnected manner, more

⁶ The capabilities and the method used to identify them are detailed in Nussbaum (2002 and 2012).

⁷ The 2014 Human Development Report focussed on human security.

as a general threat than as a series of separate threats. It need not be made explicit that these processes are direct threats to the achievements of development, especially for the poorest sectors.

The insertion of HS into the wellbeing concept presents some interesting factors: a) it involves making reference to the institutional framework through which people and households find wellbeing in a society; b) it does not mean any weakening of individual or collective agency; on the contrary, not only does it reject passiveness but it actually demands the effective participation of people and groups; c) it involves an integrated analysis, covering the State, groups and people, that requires having tools able to consider social dynamics when it comes to achieving wellbeing; d) it involves emphasis on collective action, which reclaims categories that attract the authorities' capacity, in a broad sense, to obtain HS results.

HS goes beyond the conventional human development discourse and demands a process of reclaiming, and the existence of, rights, which involves the building of wellbeing models or regimes as a central category of human development.

Public Goods

The concept of public good (PG) -or global public good (GPG) in its application on a planetary scale- refers to a category of collective goods that are central to the wellbeing of individuals. PGs introduce the collective dimension into the consideration of wellbeing and, in this regard, it should be asked to what extent they may be useful for the theoretical and practical consideration of collective categories of human development.

There is ever more agreement on recognizing that the qualification of a good as a PG does not respond to characteristics inherent to the good itself, but rather it is the values that predominate in society which give them this character (Deneulin and Townsend, 2006:7). Determining what the priority PGs are for achieving wellbeing depends on each society's values and preferences, with importance granted to each public good varying according to each different culture. This means that private goods may become public if a society decides this, and vice versa. In short, there are no PGs *per se*, rather they are socially defined and constructed in accordance with that which each society perceives to be a valuable public need for the wellbeing of its citizens.

In the conventional treatment of PGs the view is that they are necessary because they are instrumental and functional when it comes to achieving people's wellbeing. However, it is also worth asking whether certain PGs are desirable for their own sakes, since they are not only instrumental, but that people's wellbeing depends on their existence, independently of whether they can be instruments for a greater individual wellbeing. The existence of a climate of respect for people is, in itself, a constituent element of wellbeing and also allows each person to develop their capabilities better.

Social capital

In recent decades, the concept of social capital (SC) has been incorporated into the theoretical and political discourse of development, not only as a category needed to overcome the specific difficulties of developing countries, but as a category to be considered for the smooth running of any society. Its appearance is due to a resurgence of interest in social and institutional dimensions in dominant and orthodox currents.

Although the concept has been subject to strong criticism on various fronts, these criticisms are aimed at the narrow and instrumental version promoted by the World Bank. Although in many spheres the notion of SC is identified with this version, the SC category has a much greater potential and asks important questions of development. In this regard, it introduces a multi-disciplinary approach into the analysis of development and, in the most open versions, adopts an integrated focus which means that new categories must be sought.

Our interest in SC is found in ascertaining up to what point this concept introduces the relational dimension, understood not only as an instrument but as a goal of development. We start by considering the possibility of a defined SC approach, following Staveren (2000), whose basic characteristics are as follows:

- i) Understanding it as a shared commitment of social values that are expressed in the quantity and quality of social relationships. The social values and relationships established will vary, but they will always be rooted in and fed on family relationships, friendship, local community, etc. These manifestations are not static and need not always be positive.
- ii) It is not possessed by people, but rather its existence is found in the relationship itself, that is to say, in the interpersonal dimension. It cannot be said that a person has SC; this always resides in the society in question, given that it is a set of relations.
- iii) SC must not be confused with altruism. SC is not the generous disposition of a person for another's benefit, but rather is the result of a commitment based on the fact of sharing certain values, and this commitment is found working in society. In any case, SC excludes the assumption of universal selfishness, given that its existence depends on interpersonal reliability and trust, which is incompatible with widespread opportunistic behaviour.

The proposal of a defined SC would involve links being created in normative terms. This point is very important since SC will have to be assessed according to normative criteria which it is thought will direct human development. Norms, institutions and networks do not act just to explain human behaviour and social dynamics, they also evaluate current or desirable social states. However, here lies one of the central difficulties or deficiencies: the scarcity of accepted criteria for carrying out this evaluation.

III. The capacity development (CD) process



One of the main subjects for study in the analysis of the collective dimension of wellbeing is the workings of the institutions. Institutions are understood here in their broadest sense, both formal and informal ones. Firstly, it is essential to list the institutions of both types that are considered to be central to LHD. However, this should not be a mere description of each one, but rather, in second place and as a central matter, it is essential to analyze their dynamics, that is to say how they are related to one another and to citizens and how they evolve over time when operating. The idea is particularly to understand these institutions' change processes and their forms of relating, which constitute the central adventure of development; that is to say, to understand the capacity for change of a society and its institutions in order to move human development forward.

Our starting point is that the capacity development (CD) proposal has the potential to be a vital theoretical and political tool for the analysis and practice of the collective aspects of human development. As will be seen below, CD contemplates not only individual and collective capabilities, but also considers the capacity of the system or society under consideration.

For a long time, CD was linked with technical help or assistance, from a neutral and somewhat technical approach. This restricted proposal closes the field to approaches that consider CD as a focus that can be applied to all collective processes. From our point of view, the CD process, above and beyond its origin and reductionist meanings, offers a valuable theoretical platform for studying the dynamics of a group or society.

1. Background: from technical cooperation to capacity development

A central element of development thought after the Second World War was believing it was possible for poor countries to reach the level of rich countries. Furthermore, it was thought that developing countries could undergo this process faster than the countries which had undergone their development previously. Firstly because the goals were already set and the steps taken to achieve them were known. Secondly, it was considered that development aid, as it was then known, could carry out the function of supplying the funds and resources needed to advance this process, which would be very difficult for most countries to do with their own resources.

With this understanding, technical help or cooperation was understood as an important element for development cooperation. An understanding of development as a linear and dependent process, essentially aimed at achieving results in terms of economic growth, led to the design of a rather peculiar strategy, based on the presence of experts

and the importation of technologies. However the reality did not meet expectations. A concern for the effectiveness of these kinds of technical cooperation began to be shown in the 1980s and was openly stated in the 1990s.

The first formulation of the CD concept arose at the beginning of the 1990s, when the technical cooperation approach began to change. Criticism of these technical cooperation practices evolved into consideration of CD, which arose as a new approach. So a process of differentiating CD occurred, and CD became distinct from this specific form of cooperation and emerged as a new approach.

In the more significant declarations which stake out the process of revising cooperation's relationship with development, there are references to the new category of capability as a guide. So, in the 2005 Declaration of Paris there is an appeal for CD to be an explicit goal of national development and of poverty reduction strategies, which was later reiterated in the Accra Agenda and the Declaration of Busan. It can be said that CD had become a central reference point in the official debate about development and cooperation. This link between CD and cooperation must be kept in mind, but making it clear that our reading of the CD approach goes beyond the cooperation approach and is presented as a useful proposal for the study of LHD processes.

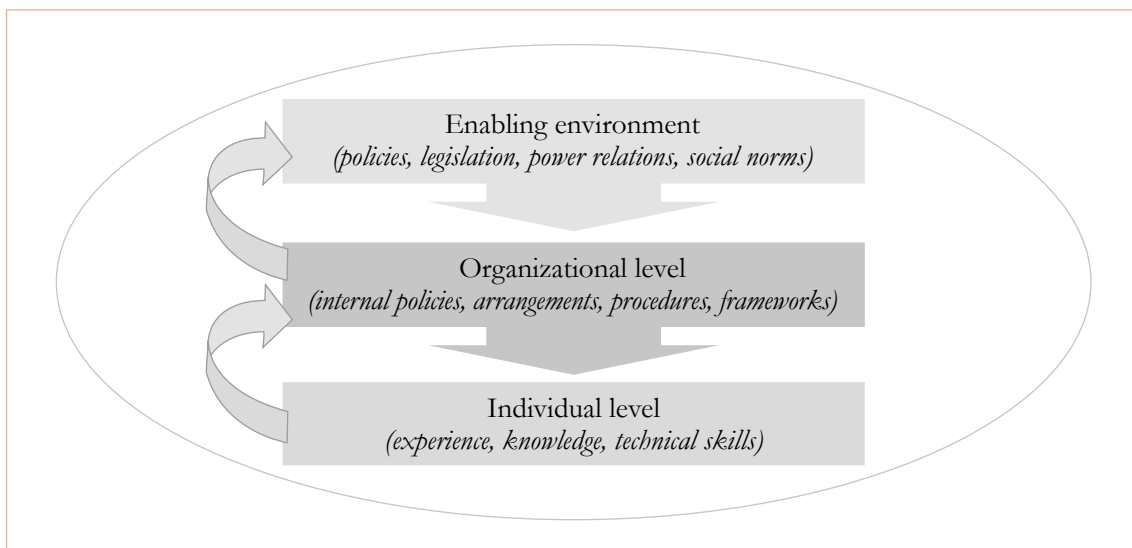
2. The concept of capability: institutional consensus about capabilities and capacity development

The main international development institutions -the DAC (OECD), UNDP and the World Bank- share the proposal to present the promotion or development of capabilities as a crucial part of cooperation. Although some differences can be found, there is a consensus among them regarding the concept of capability and capacity development.

Institutions	Capability	Capacity development (CD)
OECD/ DAC	The ability of people, organizations and society as a whole to manage their affairs successfully.	Process whereby people, organizations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time.
World Bank	Ability of people, institutions and societies to solve problems, make information-based choices, define their priorities and plan their futures.	Gradual process in which the country takes the initiative to prepare the interventions necessary to satisfy its needs, investing and building human capital, and changing and strengthening institutional practices.
UNDP	The ability of individuals, organizations and societies to perform functions, solve problems, and set and achieve objectives in a sustainable manner.	The process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development goals over time.

It is important to highlight the central characteristics of the CD concept, which are new with respect to previous approaches:

- i) The process involves a strongly endogenous character, whose most important specification is appropriation. By highlighting appropriation as a central characteristic, not only is it stated that capabilities should be carried out within people, organizations or societies and are not imposed or brought in from outside, but that they are born within people, groups and societies.
- ii) The process includes individual and collective capabilities, which are identified on three levels: people, institutions and society as a whole. This recognition of collective capabilities and the importance of the inter-connections among the three levels is the most outstanding new feature. Of particular importance is the acceptance of the framework level that includes the whole society. Furthermore, the importance that is granted to the interactions among levels and the working of the whole system requires an approach involving a dynamic analysis, which breaks the schematic nature of previous approaches. The agents' relationships with the environment, i.e. how the agents affect the environment and, vice versa, how the environment affects the agents, is situated at the heart of the analysis of development.



UNDP (2008); UNDP Capacity Development Practice Note October 2008, p.6.

However, this CD proposal, put in this way, cannot act as a guide for progress with an alternative vision, since it lacks a normative character. It is limited to indicating the process that must take place for a society to change, without setting any criteria that allow the direction of change or its goals to be assessed. In fact, it is presented as a technical solution to a technical problem: finding a response to the ineffectiveness of aid.

3. Capacity development within human development

Something that clearly identifies human development is its normative dimension, and so if CD is to be considered an appropriate tool for this approach, it cannot be understood without referring to its ability to offer human development results. That is to say, CD will be considered if it is capable of achieving justice objectives. It is important to remember that CD, in and of itself, may be either negative or positive for human development. An increase in a person's capabilities does not mean that this is always a positive result for human development. Furthermore, there will be certain capacity developments that result in detrimental functionings from that point of view. The normative consideration of CD is, therefore, fundamental.

CD has been accepted as part of the human development approach for some time now, and this has recently been confirmed. Among those who take Sen's capability approach as a starting point and theoretical foundation, a debate has occurred regarding how to understand the scope of capabilities. This debate can be simplified by considering it as one between an individualist focus and a more social one (see table; Deneulin, 2011). The redefinition of the human development concept in the 2010 Human Development Report, as stated above, adds an option for the political-relational viewpoint.

Table. Two interpretations of the capability approach (Deneulin, 2011)

	Liberal-evaluative	Relational-political
Identity	<ul style="list-style-type: none"> - Alternative normative framework to utilitarianism and Rawlsian political liberalism in the social sciences. - Centrality of human freedom in its opportunity (capabilities) and process aspect (agency). 	
Purpose	<ul style="list-style-type: none"> - To evaluate social arrangements in the space of capabilities. - To analyse social, economic and political processes from the perspective of freedom. (Have processes expanded people's capabilities and respected their agency?). 	<ul style="list-style-type: none"> - To evaluate social arrangements in the space of capabilities <i>and</i> to analyse the political economy and power relations which are responsible for these arrangements. - To analyse processes from the perspective of freedom <i>and</i> to derive social action from such analysis.
Foundation	<ul style="list-style-type: none"> - Freedom: a good human life is a life freely chosen. A capability is the exercise of free choice among set of functionings. - Reason: each individual has the power to critically examine and revise his/her conception of the good. - Priority of the individual: Individuals are the only units of moral concern when assessing states of affairs (ethical individualism). 	<ul style="list-style-type: none"> - Freedom: a good human life is a life freely chosen <i>and</i> which is worthwhile. A capability is a worthwhile 'being' or 'doing'. - Relational reason: each individual inhabits a set of relations from which his/her reasoning cannot be abstracted. These relations are constitutive of the self. - Priority of the relational: Relations structure human lives, and constitute therefore an informational basis of ethical judgements.

The collective capabilities proposal offers an important new category, since it is only now that this category is expressed at a theoretical level in order to analyze human development processes. Not only that, but it proposes a consideration of the society's capabilities as such, that is to say, when and how a society develops capabilities. This recognition means a decisive acceptance of the collective dimension of human development.

It can be understood from the proposal of a capability concept with relational-political content that not only is it applicable to the study of organizations and institutions, each considered separately, but also that it applies to complex systems or groups where organizations and institutions interact. The importance of accepting the political-relational viewpoint is that any country can be subject to evaluation according to the normative criteria of human development.

In short, we begin with an ambitious concept of capability, which allows the most systemic reading of the CD process. Capability is not only a resource for individuals,

but for any grouping that is aware of having a mission or task within society and, even, for society itself. This takes us beyond an instrumental and aseptic understanding of the categories of capability and capacity building, giving them a normative content.

The characteristics of the capability concept according to Baser and Morgan (2008: 23) are:

- i) Empowerment and identity: properties that allow an organization or system to survive, grow, diversify and become more complex. For this, systems require power, control and space.
- ii) Collective ability or skill: the combination of attributes that allows a system to function, offer value, establish relations and renew itself.
- iii) It is a state or condition inherent to the phenomenon of systems: it arises from the dynamic that surrounds a complex combination of attitudes, resources, strategies and skills, either tangible or intangible.
- iv) It is a potential state.
- v) It creates public value: the ability of a group or system to make a positive contribution to public life.

Although these features are characteristic of all collective capabilities, it is worthwhile highlighting their application when it comes to understanding the capacity of the system as a whole, that is to say, a society's capacity to make progress in defining and realizing its future. In this integrated meaning, capacity is defined as the overall ability of a system to create public value, or, the emergent combination of collective and individual capabilities that allows a human system to create value. From the point of view of LHD, it can be said that a valid definition has been found of what global capability must be, if the evaluation of this added value, or *public value*, is done according to the normative criteria of human development.

The LHD approach demands that normative content must be brought to CD to differentiate it from reductionist proposals, understanding that the objective of change in the direction of justice and emancipation is a characteristic of the human development approach.

From the point of view of human development, the CD process:

- i) is a **process with its own value**, just as for human development the process is not only the way to achieve the goal, but is beyond instrumental considerations and affirms its importance as an element of wellbeing;
- ii) should involve a definition of its **normative character**. This means that not all CB processes are valuable, and that it will be necessary to assess which of them lead to wellbeing results that are characteristic of human development and which do not (and may even be negative in terms of achieving these goals).

4. CD principles

The CD process confronts the complex realities of societies, in which change processes cannot occur without resistance and without the appearance of conflicts. If change does occur, then there will be winners and losers, although only in a relative sense. For this reason, when the contents of the CD process are defined, it will be essential to consider the multi-dimensional and complex nature of the social reality where action is to take place.

Two institutions that assume CD as a strategic element of their action highlight the principles that have to be taken into consideration in order to avoid reducing the process to a mere technical instrument. For the UNDP, the characteristics that CD should have are as follows: i) it is a long-term process that cannot be accelerated; ii) it demands respect towards value systems and should promote self-esteem; iii) it is a learning process without pre-established plans; iv) it is not neutral in the face of power and it challenges existing mentalities and power differences; v) it promotes development and is sustainable; vi) it sets positive incentives; vii) it integrates external inputs into national priorities, processes and systems; viii) it is based on existing capabilities instead of creating other, new ones; ix) it maintains commitment under difficult circumstances; and, x) it reports to the latest beneficiaries (UNDP, 2008).

UNESCO's view, on the other hand, is that there is no simple formula: both the complexity of the processes and the diversity of contexts mean that no such formula can exist. However, it points out that experience has shown that CD needs to respect some principles: i) it should develop its own internal leadership and ownership; ii) strategies should be relevant to a context and specific to that context; iii) it should be an integrated set of complementary interventions, although their implementation might need a step-by-step process; iv) a commitment, with long-term investments, while work is done on short-term achievements; v) before considering an intervention that comes from the outside, its impact on capabilities at the individual, organizational and institutional levels must be evaluated.

Although all those principles should form a part of any CD strategy, in our opinion, there are two principles that decisively mark understanding of the CD process: appropriation and complexity.

i) Principle of appropriation

In its most profound meaning, this refers to the society or institution's ability to take decisions about its future, which goes beyond a formal view of appropriation, which is limited to observing certain procedures or protocols. The decisive thing about appropriation is that the future of each society or institution is really in its own hands.

When referring to the society as a whole, whether local or national, appropriation means that the society in question defines both the objectives it considers desirable and the way to arrive at those objectives. This appropriation process cannot be limited

to viewing it reduced to the limits of each society: defining the goals that each society might see as desirable and possible is largely conditioned by the context. If these are local societies, then by the state context; and the state society, by the international context. The consequences go beyond considering the particular problem of each country when it comes to achieving that capability.

Appropriation means recognizing that each community or group decides its preferences or priorities independently, which involves new forms of participation in order to set goals. How are these appropriation processes to be tackled? Local development will be a key to understanding what is hidden behind appropriation, and local development's role within globalization is a central theme of any development strategy.

ii) Complexity

The CD process, understood as a constructor of new realities, is not limited to posing formal or technical questions to organizations regarding capabilities, rather it means achieving radical change in the society. This involves accepting complexity as a characteristic of the process, in that this process, in agreement with the appropriation principle, has as its central goal defining the society's future, and it is crucial that this does not remain in just a few hands, or become slanted because of minority interests. Guaranteeing that this definition process is genuinely participatory and is created by all agents means having to make changes in their roles and responsibilities, modifying power structures to some extent, definitively.

Given the proposal of change as unavoidable, the question arises of what approaches are needed in order to understand the many agents and dimensions involved. This point is dealt with separately in the following section.

In order to clarify the terminology used, here is a summary of the different concepts related to capacity building (Baser and Morgan, 2008):

Individual competencies: capabilities of individual human beings to do something, which might include a set of technical or logistical abilities or skills, or even motivations, hopes, etc.

Collective capabilities: day-to-day abilities, group attitudes and motivations, capacity to organize in order to get things done and support maintenance.

Capacity development: process of improving, enlarging and triggering capacities; how skills and capabilities interrelate to trigger virtuous circles that support a greater capacity.

System capacity: is the result of the inter-relations among skills, capabilities and the context, with the result that is different from each input.

IV. System capacity



The CD process includes the integrated operation of the system, that is to say, the system's capacity to achieve positive results for people and for society as a whole. The aim is for the system, functioning within a certain local society, to be able to create human development processes. Therefore, its capacity must be evaluated according to the potential to produce added public values that correspond with the normative criteria of human development.

1. Complexity as a challenge and as a methodological proposal

The main difficulty in terms of drawing up an analytical framework for development based on the capability approach is precisely in the complexity of the content covered. Change is the foundation of development; without processes of change that transform society, it is not possible to talk about development. However, analysing change processes is particularly complex. In the first place because there is a lack of theories offering suitable tools for analysing the system's development and, at the same time, there is a variety of partial approaches that make it difficult to arrive at a consensus on designing policies. Secondly, because development is understood more and more as an uncertain process, especially now that modernization has been abandoned as a model to imitate. There is no longer a single reference point in terms of a result to aspire to. Now, development becomes an adventure that each society must embark on without having final goals set or paths to follow marked out.

An added difficulty is that change is closely linked to the matter of power, which brings with it a new dose of complexity. A central dimension of the CD process is the modification of power structures and/or relationships, without which change cannot occur. Analysing collective capabilities and system capacity is related to power: the power to decide what to do, what resources to offer and towards which goals these resources will be allocated. CD means altering people's access to authority, resources and opportunities, privileging certain groups and individuals over others. All this means that the study's focus of interest lies more in the dynamics of social processes than in structures *per se*.

Assuming that complexity is a central characteristic of the behaviour of societies, and specifically of economies, opens up the debate regarding what the ideal categories are in order to understand how they function and how to intervene in them. From a concern with understanding societies' change processes and the conviction that conventional economic approaches are inadequate for this purpose, in recent decades the relevance of complexity theories has been proposed for dealing with this task.

Natural science approaches have previously been considered by certain sectors of economic science, but this interest has received a strong boost recently, particularly with regards to the study of development. The capacity building approach has played an important role in this new interest, by putting the system's own capacity, with the dimension of complexity that this involves, at the heart of its analysis.

2. Inadequacy of traditional tools and the need for new theoretical guidelines: the complexity theory proposal

The alternative development approach has revealed the inadequacy of conventional theoretical and methodological categories and, consequently, it demands a consideration of what new theoretical categories and instruments are necessary. It is one thing to indicate the deficiencies of certain approaches and another, very different one, to propose approaches that can replace them satisfactorily. It is important to highlight that the difficulty is not that the problems cannot be addressed or that the tools have not been applied correctly, but that the tools employed lack usefulness. They lack usefulness because they are based on assumptions that are inappropriate with regard to complex problems, and so when they are applied to the wrong contexts they produce negative collateral effects. In this search for valid approaches for studying the new reality, one of the seams that has been explored has been that of complexity theories.

When talking about complexity science or theory it is essential to specify that this is not a unified body of theory, but rather an emerging approach or framework, a set of ideas, principles and influences that come from other bodies of knowledge where different approaches are included (chaos theory, complex adaptive systems, systems thinking, etc.). There is no one single complexity theory, but rather various theories or elements of theories which have emerged in the natural sciences, particularly biology, computer simulation, mathematics, physics and chemistry. Perhaps the expression *systems thinking* is most closely related to complexity science, although this does not have an agreed definition either and acts as an umbrella over a wide variety of methods and methodologies. For this reason it is necessary to make clear, when talking about complexity, that reference is being made to different branches of knowledge, which are considered in order to decide whether they are particularly applicable to social change, in that they use dynamic, non-linear categories.

In order to progress, let us look now at the contents of complexity science or theory, and systems thinking. The work of Ramalingam and Jones (2008) has become a major reference when it comes to tackling this point, by offering an ordered and practical view of the main concepts that form a central part of these approaches.

The key concepts of complexity theory can be divided into three major groups, with the main concepts indicated within each of them:

1. Complexity and systems: this refers to the aspects of those systems that can be described as complex:

- i) Those systems characterised by *interconnected and interdependent dimensions and elements* are a major starting point for understanding complexity science.
- ii) The changes that occur within a complex system are substantially modelled by *feedback* processes.
- iii) *Emergence* describes how the behaviour of systems, which is often unpredictable, emerges from the interaction of the parts, as the whole changes.

2. Complexity and change: this refers to the phenomena that demonstrate complexity:

- iv) Within complex systems, the relationships among the parts are frequently *non-linear*; for example, when change occurs this is often disproportionate and unpredictable.
- v) Sensitivity to *initial conditions* shows that small differences in the initial state can lead to huge differences later on; the butterfly effect and bifurcations are two ways in which complex systems can change drastically over time.
- vi) *Phase space* helps to create a picture of the system's dimensions and how these move and evolve over time.
- vii) *Chaos* and the *edge of chaos* describe the order that exists within the apparent randomness of behaviours shown by some complex systems.

3. Complexity and agency: this refers to the notion of adaptive agents and how their behaviours are demonstrated in complex systems:

- viii) *Adaptive agents:* react to the system and to each other, leading to a series of phenomena.
- ix) *Self-organization:* this characterizes a particular form of emergent property that can occur in systems of adaptive agents.
- x) *Co-evolution:* this describes how, within a system of adaptive agents, co-evolution occurs, as the general system and the agents within evolve, or co-evolve, together over time.

3. Complexity and development

The complexity theories approach to development matters is not a casual one. This is not a question of seeking and forcing vague similarities, but of analysing to what extent complexity categories can help to understand and better deal with current development problems. It is necessary to specify the links between complexity theory

and systems thinking, on the one hand, and development theory and practice, on the other. Given that complexity science cannot be considered a closed and clearly defined framework, different ways of confronting the question are proposed.

There is no precise and accepted definition of what a complex system is, but some common characteristics can be offered: a) it is made up of heterogeneous elements that are interconnected or interlinked; b) this interaction among its elements causes an emergent behaviour that cannot be explained by referring only to those elements taken in isolation, that is to say, new properties arise that cannot be explained based on the properties of the isolated elements; c) therefore it is very difficult to predict its future dynamic evolution; put another way, it is practically impossible to predict what will happen beyond a certain time horizon; d) it is a self-organizing system, which originates and endures thanks to a small number of critical non-linear processes.

Complexity sciences offer new perceptions of three general kinds, by encouraging: i) a reconsideration of the nature of systems and how feedback sustains or challenges a system; ii) a reconsideration of the nature of change processes as dynamic and unpredictable; iii) a rethinking of the nature of human systems - as mutually reacting adaptive agents - and new ways of doing things and self-organizing into evolving forms, often surprising ones.

This means analyzing to what extent this approach is applicable, identifying its contributions and specifying those categories that have a special meaning. The starting point is located in the similarity between the concept of complex adaptive system and the new development approach viewpoint. It is not a question of translating the system concept and, following it, drawing up a development approach as a complex system. Rather, quite the opposite, it means that the development proposal used as a starting point presents basic characteristics that are similar to the definition of complex adaptive system. Development is understood as an interactive construction process involving many different parts which, although they share certain goals in common, have other, very different, goals and even some that are opposed to social change towards greater social justice.

CD openly proposes that complexity is the central characteristic of the reality that we aim to understand. To conclude, a starting point is to consider human organizations, societies and market systems as complex adaptive systems, in that they involve a dynamic network of many agents that act in parallel, constantly acting and reacting; where the system is evolving in response to changes in both external and internal conditions.⁸

However, even recognizing this genuinely close relationship at the root of things, that is to say, understanding development as a complex system, the capacity building proposal does not have a theoretical discourse or language that allows progress to be made in the new approach.

⁸ Bastiaensen et al. (2015: 17ff) base their analytical framework on a characterization of rural territories as complex socio-ecological systems.

4. The categories of complexity applicable to development

Accepting the above-mentioned features of complexity science means establishing how this critical reflection, which will allow new general perceptions and the recognition of new realities such as those which are meaningful for development, will be carried out. If what is wanted is to make progress with designing policies that respond to the new scenarios and which lead to the creation of unpredictable and dynamic change processes, which advance gradually towards human development, it is necessary to have conceptual categories and procedures that make this possible.

There are two approaches, still very general in nature, that help to establish connections between development and complexity science. Ramalingam and Jones (2008) sum up the features of complexity concepts in their relation to development, in this way: i) complexity is to be understood as a set of interrelated ideas, but cannot be imagined as a fully constructed edifice; ii) it offers a series of useful viewpoints and approaches that confront or challenge the conventional world, which may allow us to better understand and outline the complexities of the real world; iii) particularly: to understand the nature of change and the behaviours of intelligent actors within it; it creates ideas and perceptions that help us see complex problems in a more realistic and holistic manner; iv) for example, it helps us to understand the global climate system, national debates within the Eurozone, vulnerability and disasters, the dynamics of growth, etc.; wherever there are systems of interconnected dimensions and elements that include adaptive agents, that is where complex processes and relationships are found; v) complexity science broadens the kind of thing that can be viewed according to theoretical foundations.

Moving forward, Green highlights the suggestions raised by complexity and systems thinking with regard to development: a) it means inclining towards those who support seeking, rather than planners, by considering that it is impossible to design plans to achieve specific results in an unpredictable context; b) a support towards a greater emphasis on history and less on mathematics, that is to say, narrative takes a central place and acquires a reason for existing; it involves a criticism of the economic models that, mostly, separate causes from effects, when it is impossible to disconnect them if causes and effects feed into each other and are interconnected; c) it is important to know how to respond to complexity, which means: controlling, evaluating and learning; d) new kinds of leaders are needed in a complex and chaotic world, who are able to subvert, transform and challenge existing taboos, models of thinking and ways of doing things, pushing forward newness; e) it is at the edge of chaos where the greatest innovation in human systems is produced.⁹

Despite the fact that these are general considerations, some categories to bear in mind are now apparent: narrative as an appropriate language, the recognition of a new space for knowledge -the edge of chaos-, the need for new leaderships and the revision of planning-style approaches.

⁹ Duncan Green's blog (www.oxfamblog.org) has a number of contributions regarding the applicability of complexity sciences; the above text is from: <http://www.oxfamblogs.org/fp2p/?p=39>

The above-mentioned contributions signal some central characteristics with which to tackle the phenomenon of development. However they are incomplete, since there is no intention that they offer a systematized view of the categories to take into consideration. This is not a matter of designing a canon of categories. On the contrary, the very nature of complexity sciences and the diversity of situations that face development mean that no canon has any sense. However it is possible to offer a list of relevant categories which, with different intensities and of different kinds, should always be taken into consideration and which have the potential to act as a foundation upon which to establish guidelines for reflection and action.

In order to draw up this list of categories, the classification of Ramalingam and Jones (2008), given above and which presents the key concepts, is adopted. The categories are ordered into three groups: complexity and systems; complexity and changes; and, complexity and agency, and from there a new list is drawn up, one that synthesizes writers' different proposals. It is proposed that this be used as a reference and work be done on it in order to make it operative, experimenting with it in the studies carried out.

<i>Complexity categories for the study of development processes</i>		
<i>Complexity and systems</i>	- Resilience. - Emergence. - Identity and meaning.	- Feedback. - Interdependence and interrelation.
<i>Complexity and changes</i>	- Institutional innovation. - Initial conditions.	- Context.
<i>Complexity and agency</i>	- Self-organization. - Co-evolution.	- Learning and experimentation.

5. Resilience: central category

Resilience is one of the characteristics or properties of complex systems. Although the term 'resilience' has been widely disseminated, especially in the study of a society and group's reactions in the face of changes in its surrounding environment, at first sight the concept does not have a direct link with the environmental question. A basic definition of resilience could be: a system's capacity to deal with change and continue developing or, put another way, a social system's capacity to develop and grow when faced with major difficulties.

What it is, then, is a central manifestation of a social system's capacity that allows it to continue living creatively even in adversity. It goes far beyond giving a certain response at a given time, and is not limited to repairing the damage caused. Resilience involves creating, based on the challenge presented by the external shock or the modification of the environment, a dynamic or process able to react creatively, without losing its identity. Resilience is the capacity of a system to continue, in some way, its

development in the face of multiple changes in the surrounding context. It would be wrong to reduce resilience to responses offered to catastrophes or occasional extreme phenomena. It is a broader and more profound capacity in the face of change and which requires the challenge of innovating.

From that point of view, resilience demonstrates a fundamental dimension of human development, which is the close link between people and nature, the impossibility of designing a development strategy that does not contemplate the restrictions and determining factors of nature as a central part of the development vision. The socio-ecological systems proposal emphasises the fact that humans must see themselves as a part of nature and that the limits between social and ecological systems are artificial and arbitrary.

It is by no means easy to find a theoretical basis that allows the concept to become effective. When looking at the literature on resilience, it is clear there are still major theoretical lacunas, which makes it difficult to make it operative and also to create indicators. However, there are many studies on how different communities have faced up to the challenges of restrictions and changes in their environments.

The lack of sufficient theoretical preparation for this concept does not render it useless. In the first place because, reiterating that stated above, it poses a central question that must be answered, one which is not always taken into consideration to a sufficient degree: nature's relationship with people and the development model. Secondly, because the studies carried out from this perspective have shown what the required properties or capabilities are for a group to have the necessary resilience.

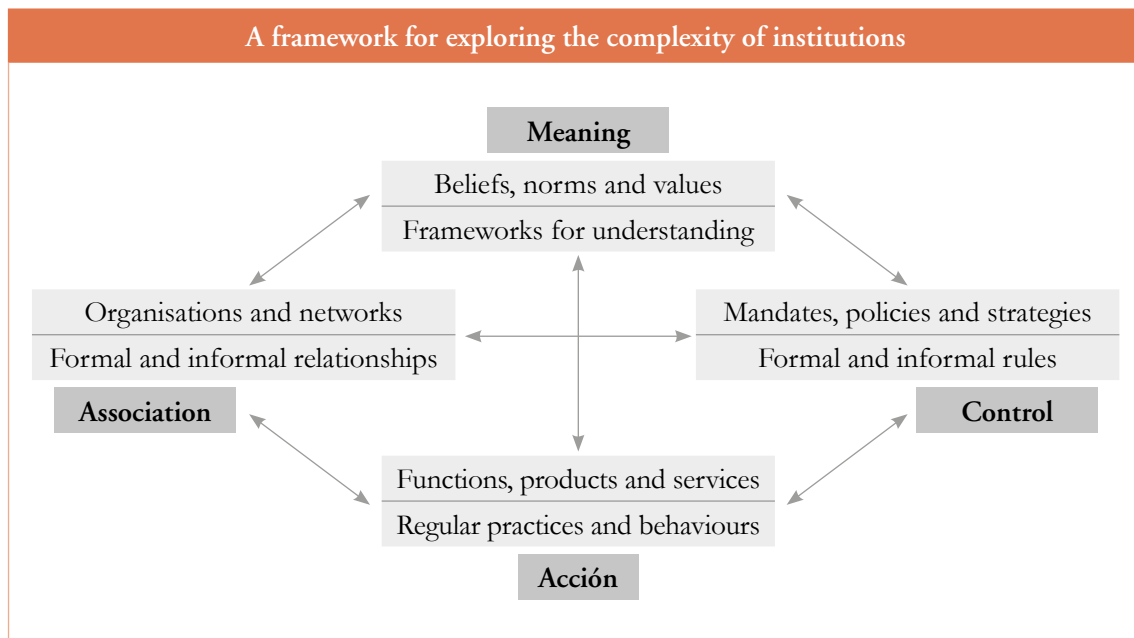
6. Categories and the social change process

Understanding LHD processes means a decided confrontation with social change. If this does not happen, LHD processes cannot happen. However, the processes of social change are the result of a complex dynamic of individual actions and social processes. Achieving human development results is impossible without the creation of new institutions, although these cannot be created without a modification of people's attitudes and values. The appearance of new values and attitudes requires, in turn, changes in institutions.

There is general recognition that politics is fundamental, although not a priority, in the configuration of development options, strategies, pathways and results. Development cannot be understood separately from the processes of change of institutions and social, economic and political relationships, which means that a challenge occurs to established interests and existing power structures and, therefore, to dominant institutional agreements (or rules of play) (Leftwich, 2006).

How is it possible to integrate such different spheres in such a way that innovation and social change processes can be made intelligible? Woodhill (2010b) states that there is no accepted framework for analyzing the institutions that considers this

complexity, and he presents a simple framework that at least allows the identification and formulation of critical questions about the different kinds of institution and how they interact.



The framework distinguishes four fields (Meaning, Control, Action and Association), each one of which includes both formal and informal institutions. Both are equally necessary in order to understand change processes, and that is why it is important that they be put on the same level. This recognition of informal relationships, practices and behaviours is especially relevant when considering change in the direction of human development. Without will, conviction and commitment, it is impossible to consider a process of alternative change, and these factors are located to a greater extent in informal structures than in formal ones. The figure's main goal is to highlight those factors that interact in the formation of incentives, encouraging actors to act in a certain way. The challenge will be to make it operative in order to understand what dynamics must be present in order to create strong incentives which lead to the creation of local human development processes.

As Woodhill (2010b) explains, the four kinds of institution are linked within a certain logic and a certain hierarchy. Different beliefs and values, together with theories about how the world works, create a unit of resolute action. To arrive at cooperative action and achieve goals, people create relationships and different organizations. Organizations, whether they are related to the State, the private sector or civil society, have mandates, policies and strategies that guide their actions. Together with the organizational architecture of society, there are many different formal and informal rules that structure what organizations and individuals should or should not, or can or cannot do. This interaction of meaning, association, action and control results in: a) tasks carried out and products and services provided; b) coherent behaviours and practices.

What does this framework provide for our purposes? It allows the processes and interactions that have to be taken into consideration to be synthesised and ordered. It highlights and makes visible dimensions of LHD that are not normally considered in conventional analyses. Simply collecting them and identifying them, and beginning to analyze their dynamics is, in itself, a positive result of the study, although it does not allow causal conclusions to be established.

For each analytical framework, whether regarding the overall system of a society or community, or the particular system of a certain sector or institution, the identification of what the components of each of the sub-domains are will form an important part of the study. Drawing up this table for each case will have to be done, adapting to each system's characteristics.

Description	
Meaning	
<i>Beliefs and values</i>	The underlying assumptions, which often lie very deep, on which people base their decisions.
<i>Frameworks for understanding</i>	Language, theories and concepts used to communicate, explain phenomena and guide action.
Association	
<i>Organizations and networks</i>	Organizations created by the government, companies or civil society.
<i>Relationships and transactions</i>	The means of creating and maintaining relationships between and among individuals and organizations.
Control	
<i>Mandates, policies and strategies</i>	Mandates given to or adopted by certain groups and organizations, the positions and policies that are adopted and the strategies that they plan to follow.
<i>Formal and informal rules</i>	The formal and informal rules that establish the restrictions regarding how organizations and individuals can behave in certain situations.
Action	
<i>Functions, products and services</i>	The functions carried out, and the products and services provided by the government, private organizations and civil society.
<i>Regular practices and behaviours</i>	The practices and behaviours that individuals repeat in social, economic and political life.

7. The system's central capacities

A long list of indicators that cover different aspects of a society's behaviour can be offered, including vulnerability, sustainability and governability, but the same cannot be done when looking for indicators that cover the overall behaviour of a country. There are few of these, and they are very recent. There is a growing

concern and interest in understanding countries' integrated behaviours, given that ways of rising to challenges are very different and, therefore, so are the results. Why do some countries work well and others not so? This question, which is always present, has been at the forefront of much research, especially in the research of those who adopt institutional approaches.

Here we are referring not so much to those approaches which analyze institutions or internal articulation processes or dynamics, but rather the need to have an index that reflects a society's capacity as such and, therefore, to allow comparisons between and among countries, and the evolution of any one over time. But capacity in what sense? In this regard there are different emphases. In some cases, it is capacity to react in the face of the shocks or challenges that a country experiences, which is more in line with the concept of resilience capacity. In others, the ambition of the capacity sought is larger and it is the capacity to change or to manage change, whether this be reactive or even creative. It is clear that, depending on the nature of the capacity in question, different factors must be taken into consideration when assessing it.

It is interesting to look at two attempts at setting a system capacity indicator that, curiously, were carried out by KPMG, an audit company.¹⁰ The first, called *Managing Change and Cultivating Opportunity*, was commissioned from the Overseas Development Institute (ODI), and aimed to set a capability index for a country (KPGM/ODI, 2011).

Although the stated objective was not met, the work presented an interesting proposal with regard to what the bases of that objective should be. Its most significant contribution is a systematization of the capabilities that should form part of a capability index, which are grouped into three sections: i) economic capabilities, regarding economic policies and frameworks; ii) governability and institutional capacity, regarding the capability of the government and the institutional arrangements established; and, iii) social capabilities, regarding a society's characteristics, such as literacy, social support networks and equity.

It is important to point out that the proposal was influenced by the search for a capability index that was limited to developing countries, which explains the inclusion of some variables and the absence of others. Furthermore, the index was intended largely to be a tool for improving the quality and effectiveness of international cooperation with development. It is not ruled out that it might be used by country's own governments, but there are continuous references to its possible usefulness for development agents and donors. It is obvious that, to a significant extent, this motivation affected the selection of the variables and, in general, the nature of the index.

Two criticisms can be made of this proposal. One is its weakness with regard to the normative reference. What does it mean to manage change positively? Is it assumed that the goals to be aimed at are already set? Secondly, it does not consider the country's

¹⁰ <http://www.kpmg.com/global/en/pages/default.aspx>

capability with regard to a globalized world in which its margins of autonomy appear ever more restricted. How is the tension between national sovereignty/autonomy and the different kinds of integration, or plain imposition, of global markets (particularly financial markets) considered?

The second project brought a major change in the concept that was intended to be measured (KPGM/Oxford Economics, 2015). The intention here was to create an index for the willingness to change (*Change Readiness Index*) which measures the capacity of a country's agents -government, private and public companies, people and civil society in general- to prepare, administrate, and respond to a wide range of change factors, proactively cultivating the resulting opportunities and mitigating any potential negative impacts.

With regard to the previous proposal, clearly the most significant difference is the one corresponding to economic capabilities. Here, capability is measured according to a certain direction of change: flexible labour markets, openness to markets, and a prominent position of the private sector. These are not so much governmental policies as a vision of a market economy. Likewise, in terms of government capability there is a different emphasis that focuses on its function of boosting the economy or, in other words, growth. It defines it as the capacity to effectively manage, prevent and influence change, highlighting how the government interacts with companies, tax and macroeconomic policies and strategic planning. There are no references to its role as a promoter of alliances or of directing change towards the creation of public goods or other social justice goals.

The interesting thing about both studies is that they reflect a recognition of the need to measure the system's capacity as such, not just that of the government, as has usually been the case with most indicators. The fact that it was a private consultancy company that promoted the initiative demonstrates the scope of the recognition for this concern.

Without actually defining an indicator, Woodhill (2010b: 49) specifies what the necessary capabilities are for institutional change, offering a more ambitious view than the last two proposals. He points out the following:

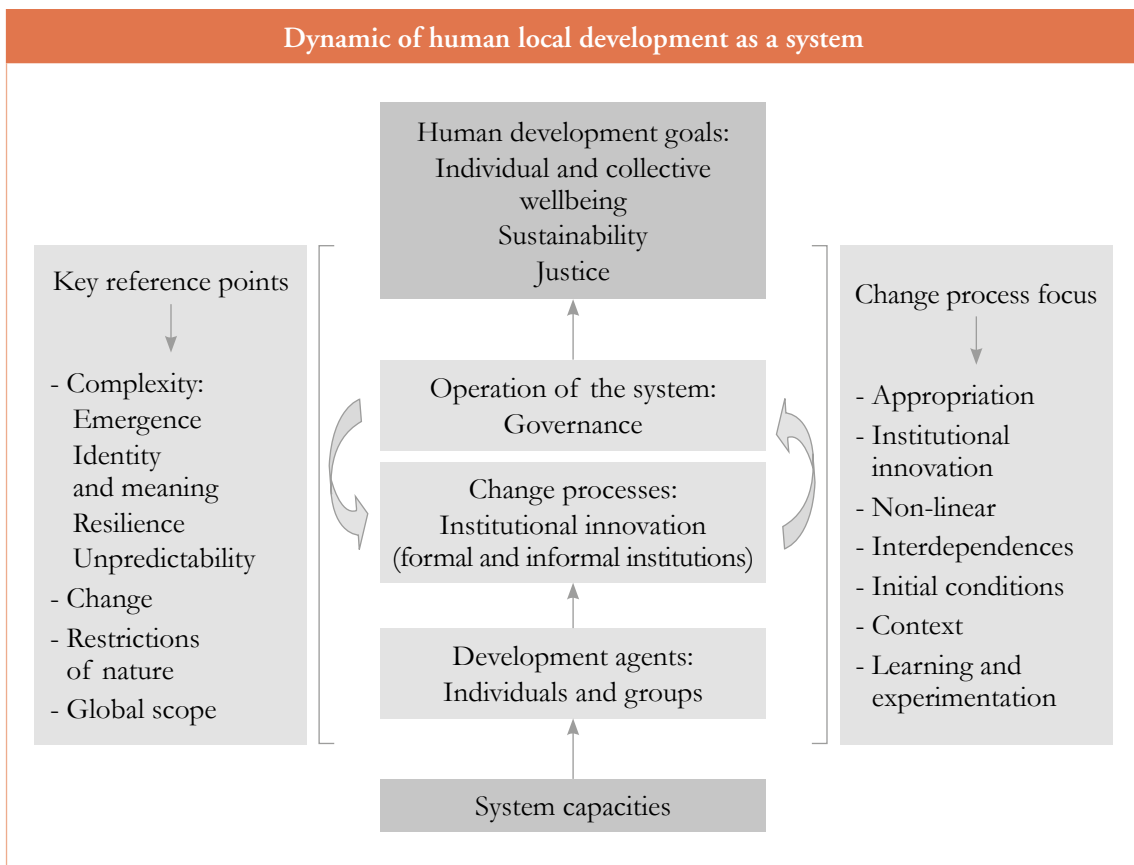
- i) Formulating and understanding the challenges of environmental sustainability and social justice.
- ii) Governing a highly complex world that faces risks of environmental collapse, violence and terror caused by inequalities, poverty or competition over scarce resources.
- iii) Directing technological innovation towards the challenges of our time.
- iv) Driving the rapid and fundamental institutional changes that communities and societies need in order to be more sensitive and resilient to the problems they face.

- v) Setting in motion new dynamics of commitment among citizens, their leaders, companies, government and civil society.

Set out in such a way, these capabilities may seem too demanding. However, it is important to point out that these challenges, as well as helping us to have a clearer idea of the nature of the capabilities considered, are really the engines of change.

To conclude this section, a summary of the content introduced above is presented in order to offer an integrated view of the analytical approach proposed. As has been repeatedly stated, our starting point is assuming that the best way of understanding and intervening in change processes is to consider development as a complex system. However, as has been seen, although complexity categories can help us to understand reality, they do not contain a normative dimension.

LHD cannot be understood without an emphatic definition of its normative dimension. The following framework is an attempt to reflect how the different complexity categories must be integrated in order for them to have the potential to foster human development.



Source: Own elaboration, based on Woodhill (2010b: 48).

V. Collective capabilities



The fundamental element of the CD process is the concept of collective capability. In order to create strategies guided by this new concept, the concept of collective capability being used is decisive, and so a precise definition that allows clear goals to be set and policies to be designed is required. In this section, reference is made to second-level collective capabilities, that is to say, institutional or organizational capabilities, understanding that collective capabilities of the system have been mentioned in the last section.

Considering that organizations, institutions and companies need certain capabilities for their operation to be successful is not a new feature introduced by the capacity building approach. In the world of the economics of companies and public authorities, there are many proposals of this kind. However, most of them have, as a starting point, a consideration that each organization has very precise and commonplace goals, created in order to function in a certain conception of formal democracy and in a market economy context, without the aim of seeking alternative organizational and institutional forms or a different relationship with that organization's environment. As a result, they do not respond to the question of what capabilities are needed so that human development processes are promoted by units of this second level of CD.

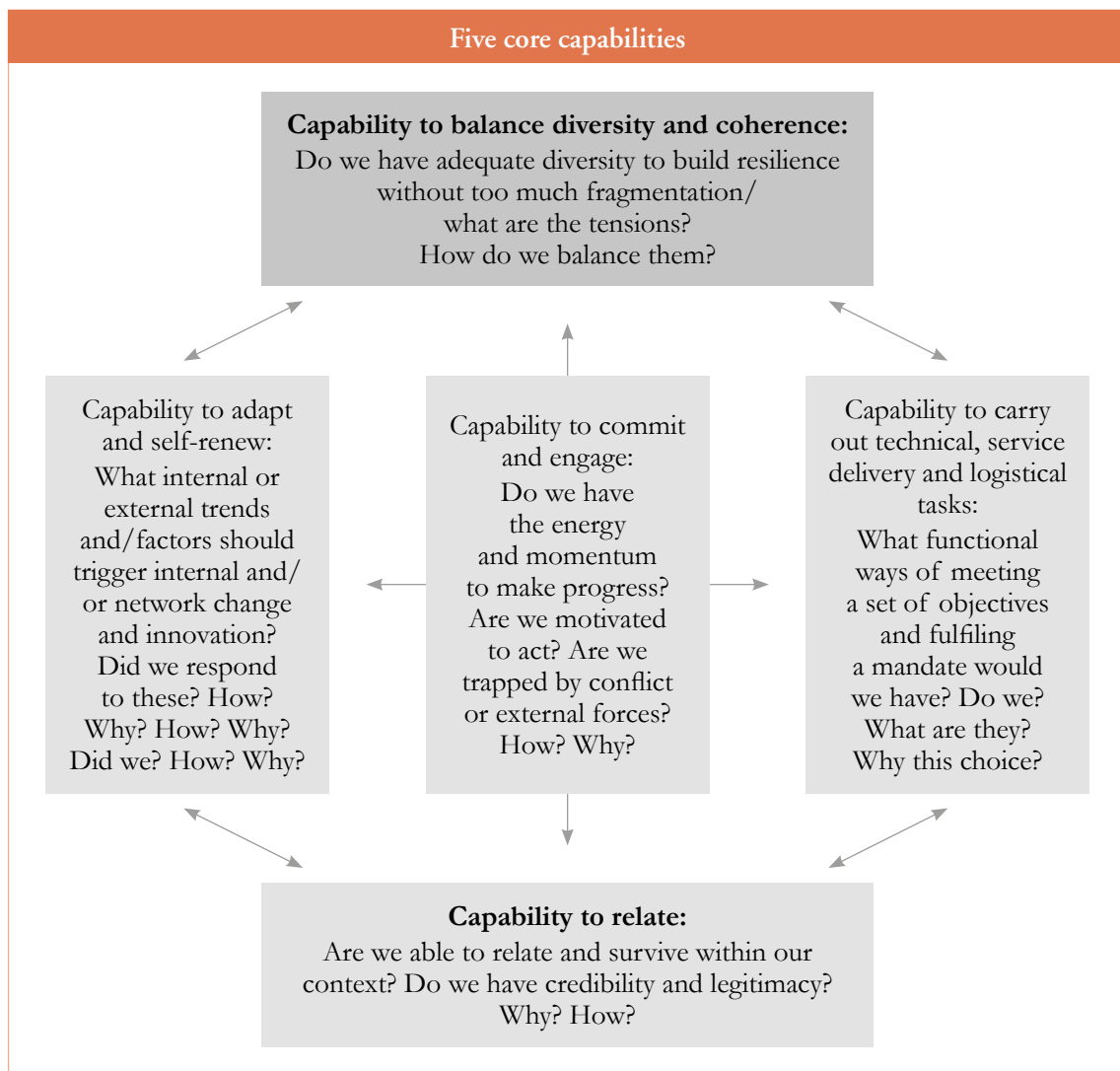
The challenge lies not simply in efficient operation, a challenge that faces any public or private organization, but in managing to operate independently when it comes to becoming a process that is critical of the dominant model. The aim is to ascertain what the core of its way of acting should be in order to ensure that its strategic objectives work. Therefore, rather than think of a list of capabilities, each understood independently, the question is to understand them as an interconnected group in which all are necessary and all interact, feeding back into, and influencing each other. Put another way, an understanding of all these capabilities is sought that allows the total collective capability to be seen as the collective ability of an organization to carry out a particular function or process, inside or outside the system. This integrated collective capability is made up of a series of collective capabilities which are those that allow an organization to do things and maintain itself. What are these collective capabilities that are found in all systems and organizations and what are they made up of?

Firstly, an important distinction to bear in mind, in order to show the specific nature of relevant capabilities, is the difference between technical capabilities and core

capabilities. Core capabilities are those found in any public or private group, whatever its level of complexity or the territorial scope that it acts upon. These are the ones that interest us, since they influence the decisions that affect the present and future operation of a group. Technical capabilities, on the other hand, make reference to the performance of specific activities, related to particular goals. Therefore they are crucial in each sector or speciality, but they are not applicable outside them.

We have set ourselves the task of designing a first list, by way of a test, to act as a basis for an ordered debate and to allow progress to be made in terms of defining capabilities and rendering them operative. This is done based on the work of Baser and Morgan, Woodhill and the UNDP, given that all of them have looked into identifying the collective capabilities needed in an organization that intends to implement emancipation processes.

Baser and Morgan (2008:104) propose five core capabilities that are shown in the following diagram as an interrelated group.



Baser y Morgan, 2008: 104.

The capability to commit and engage, which is given here as central, considers that organizations must have will, the power to choose, be able to empower themselves and be able to create a space for themselves. It reflects a pivotal capability that involves having ambition, conviction, determination and group identity. The names of the other capabilities are sufficiently expressive of their content that greater detail is not required here. In any case, it is important to make clear that, in order to provide each one's indicators, greater detail is needed.

The UNDP identifies five kinds of core capabilities (UNDP, 2009) which are the capacity to: 1) engage stakeholders; 2) assess a situation and define a vision and mandate; 3) formulate policies and strategies; 4) budget, manage and implement; 5) monitor and evaluate. Although all five are decisive and none can be left out, we agree with the UNDP on the outstanding importance of the capacity to analyze a situation and create a vision (number 2 on this list), which involves being able to assess the resources and needs of capabilities that require this one in order to work. This capability is the basis of the CB process strategy and becomes an especially important piece for any organization or community since it means being able to formulate a vision of the group's future and a definition of the goals to be achieved. Having this capability means analyzing the capabilities desired for the future in comparison with current capabilities, which creates an understanding of the set of capabilities and needs to respond to the question of what capabilities must be developed.

These capabilities are related to those given by Baser and Morgan, which allows the two to be put together, in the following way: capability 1 (engage stakeholders) can be integrated with the commitment and engagement capability; capability 3 (formulate policies and strategies) with the capability to balance coherence and diversity; capability 4 (budget, manage and implement) with the capability to carry out technical, service delivery and logistical tasks; and 5 (monitor and evaluate) with the capability to adapt and self-renew. This does not mean there is full correspondence between each pair, but rather that there is no clash. However, Baser and Morgan's capabilities will be considered as priority, since it is understood that they have a greater scope.

The central importance of the UNDP's collective capability number 2 has already been highlighted, and this cannot be accommodated easily into Baser and Morgan's capabilities diagram, although this does not mean that they are incompatible. On the contrary, it complements it in that it can be described as the collective capability that allows the five basic capabilities to function correctly.

Capabilities in a complex scenario

Organizations must carry out their activity in a complex scenario that is characterized by uncertainty and volatility, which means that their projects encounter difficulties over and above those they are designed to deal with. It is crucial to bear in mind that new capabilities are necessary given this situation.

The category of resilience has become a reference for expressing the capability needed for any organization to be able to make progress with its project in complicated scenarios. The list of emergent capabilities, given by Woodhill (2010b:53), is a response to this question of proposing those that can provide a greater degree of resilience in terms of institutional innovation. The capabilities needed to function in the current scenario are the following:

- a) Navigate complexity: be able to act within the unpredictability and complexity inherent to social systems.
- b) Collaborative learning: the greater the capacity for collaborative learning, the greater the capacity for institutional innovation. This is not, then, a passive learning process in which the government or the academy offer solutions that are then applied to different organizations, companies or authorities. The required institutional innovation will arise through a learning process characterized by the interactions among the different actors. So, it is necessary to highlight the importance of this process to the above-mentioned capability to adapt and self-renew.
- c) Political commitment: institutional innovation is a political project. In this regard, the importance of the dynamics of power and authority is obvious. Faced with these dynamics, this commitment needs: the capability to see and criticize power relations; the capability to make judgements about the appropriate form of political commitment; capabilities in relation to the processes of lobbying, advocacy and political influence; and, the capability to use the media in all its forms. These capabilities have been included as part of the commitment and engagement capability.
- d) Self-reflection: social change is an emotional process; it requires self-reflexive capabilities of the actors, which involves questioning ones own assumptions and beliefs. It involves an important specification of the capability to adapt and self-renew.

Below is a first attempt to list relevant functional capabilities with the aim of integrating previous proposals. Simply enumerating capabilities does not mean this aim is achieved. Firstly, this list is not given as unique, closed and final, but rather the goal is to allow debate about the criteria to consider when making choices and the specific capabilities identified. Secondly, it should not be forgotten that these capabilities must be understood according to the goal of social justice and should be evaluated from the normative dimension of human development. Thirdly, in order for them to be operative, it is necessary to specify them and have precise indicators.

List of relevant functional capabilities	
<i>Capability to analyze and have a vision of the future</i>	- Resilience.
<i>Capability to commit and engage</i>	- Analyzing and criticizing power relations. - Judgements about appropriate forms of commitment. - Political advocacy and influence. - Use of the media.
<i>Capability to relate and achieve support</i>	
<i>Capability to balance coherence with diversity</i>	
<i>Capability to adapt and self-renew</i>	- Learning. - Self-reflection and self-criticism. - Combining different kinds of knowledge; incorporating local knowledge into management and decision-making. - Capacity to include nature's restrictions in a strategy.
<i>Capability to take decisions when faced with complex problems</i>	- Navigate complexity.
<i>Capability to carry out tasks</i>	

VI. The analytical framework's methodological proposal



1. Introduction. Broad proposals for local development

The LHD proposal has two theoretical frameworks: a) the acceptance of human development as a normative frame of reference, which contains the capability approach proposal that defines the development of the capabilities of people, institutions and societies as the relevant evaluative space for assessment b) the proposal of the local dimension as the space of reference for studying development.

The local dimension is proposed because it is understood that this is the most appropriate sphere for analyzing change processes with human development content, as well as the dynamics that explain both why difficulties arise in this respect, and possibilities for consolidation. In this proposal, the local is understood, more than a “municipalist” vision, as the existence of a society that functions with a common project in a specific space, where people can understand and experience a shared process.

In short, based upon the conjunction of both frameworks, the LHD approach proposes a concept of multi-dimensional, intentional and normative development, centred on a particular territory where the society that inhabits it is that territory's collective agent. LHD proposes considering the operation of a society in a particular territory that is searching for individual and collective human wellbeing, with human development as a guiding reference.

There are many theoretical and political proposals that deal with local development. Of them, some are limited to reproducing, on a smaller scale, the approaches of the conventional economy, in what is known as decentralization. There is another, critical, group that draws up creative proposals based on two central characteristics: a) considering the development of societies from an integrated point of view, including dimensions other than the economic; and, b) the emphasis on the endogenous nature of development, granting a central role in this to local agents and resources.

This last group of proposals has a strong connection to LHD, although there is an aspect that constitutes a difference and means that the specific nature of LHD must be considered: the emphatic inclusion of the normative dimension as a constituent element of local development, understood from the point of view of human development assumptions. In some local development proposals, this dimension is in some way explicit, but it is not central when drawing up strategies. Despite this, it is not being said that LHD and the above-mentioned approaches are in some way conflicting or mutually exclusive. On the contrary, LHD includes many of their propositions.

Included are contributions that see local development as *a complex, systemic dynamic that incorporates the economic, cultural, political and social restrictions and potential of each territory when it comes to achieving wellbeing*.¹¹

In this respect, it is important to highlight the *Territorial Economic Development (TED)* proposal drawn up by ILPES/CEPAL. Its definition of TED as *the capability of a local society to set collective goals with regard to material progress, equity, justice and sustainability, and mobilize the endogenous local resources needed to achieve them*, links with capacity building approaches, given that it considers a system's capacity as a relevant element for producing collective wellbeing results.

For a fuller understanding of TED, let us look at the criteria that Rodríguez, Bernal and Cuervo (2012) give for its policies to be successful:

- i) *Integrated*: simultaneous intervention on complementary fronts.
- ii) *Flexibility*: the integrated intervention strategies should be the result of a gradual process, whereby each development experience is a totally original route that combines components in its own way and takes place in a specific historical, social and institutional context.
- iii) *Decentralization*.
- iv) *Pluralism*: openness and capacity to recover and adapt traditional environmental and technical knowledge.
- v) *Collective action*: the social abilities to coordinate and work in a team are crucial in the explanation of success in experiences such as those examined in this study.
- vi) *Sustainability*: experiences show that it takes between one and two decades for this to be consolidated, although this does not mean that positive results cannot occur in the short term.

Another formulation is *Endogenous Development*, which puts the emphasis on the territory as the backbone of the proposal, understanding this to mean *the space where the social conflict inherent in every society is expressed*. With this conception, it details the scope of the territory concept:

- i) It is a space opposed to the undifferentiated space that lacks meanings: the local territory is a meaningful cultural entity, located in time and in space. It is a place of relational and historical identity that is the result of the interaction of many (individual and collective) actors that are both interrelated and linked to the social and natural surroundings. Therefore, the local territory is a historical, cultural, existential and social product, whose morphology and manifestations are the result of a set of interactions among individual, society and nature.

¹¹ Costamagna (2015) provides an excellent account of different trends in local development in Latin America and their evolution.

- ii) It is a politically-constructed space. It is not something that lies outside subjects, but rather it is an intentional system of social action, a socially-constructed space. The local territory means power and if it is not posed as a strategy, the territory does not become effective, marking the transformation from a geographical viewpoint to a local territory policy. The significant thing about this interpretation is that it allows links to be built between social, economic, technological and cultural processes and political practices and actors' strategies.

Local territories produce endogenous dynamics founded on the territorial accumulation of the specific group resources needed for the development both of its productive economic system and of its institutional and cultural spheres (Vázquez Barquero, 2007).

The theoretical bases of endogenous development consist of three complementary foundations:

- i) *Complexity*. Based on a holistic view of development that includes a vision of reality accepting unity in diversity, universality in singularity and allows themes and values to be looked at anew in the light of local interests. It resolves historical tensions, such as modernity-identity in understandings of development, by valuing structural aspects of development, institutional aspects and relational aspects. Therefore, endogenous development policies must combine diverse objectives.
- ii) *Diversity*. Recognizes the diversity of territorial realities and, therefore, of the paths to development. Furthermore, it identifies local dynamics that allow the creation of territorial development capabilities.
- iii) *Strategy*. Strategy sees intentional social action expressed as a territorial political project. It understands that development is a political challenge. It is a constructive vision of development that is not *a priori*, instrumental or aseptic. It is an approach that interprets the development process itself according to territories' own capabilities, which arise because of their specific insertion in a situational context, because of each local society's particular characteristics, and because of the politics brought to bear by actors that affect that territory.

Along similar lines, *Place-based Development* interprets the local level in such a way that it is integrated spatially and institutionally (Bradford, 2012). Many local challenges arise from the dynamics of the worldwide economy and high-level governmental decisions. These factors always structure local outcomes. In place-based development, the 'local' is not an independent area or a homogenous community. It is, rather, a distinctive place within broader institutional relations, made up of the community's interactions with the political and economic forces beyond the local.

This proposal offers a dynamic 'inter-scale' analysis of the local, and territorial change. It explores the relations among the actors of civil society, the State and the market

in the construction of new systems of governance and development strategies. Its concern is not the problems that result from the tensions between centralization and decentralization, but rather focuses on the negotiation of compromises between the principles of conditionality and subsidiarity.

A series of common elements can be detected within the conceptions given. These elements make up a broad view of local development and can be summarized as follows:

- i) It is a process that takes in the economic, social, cultural and political-institutional dimensions found in a particular territory, which are part of a communal project.
- ii) It proposes an integrated outlook that overcomes the partial nature of sectoral policy analysis.
- iii) It highlights the fact that the society's capabilities and those of its agents are those that power change and development.
- iv) Endogeneity or appropriation is a fundamental element: each society must be able to decide on its priorities and the best way of achieving these, which means there are no standard recipes. This involves recognizing the fact that development is a collective decision that concerns the system as such.
- v) Accepting the above points brings a new challenge, which is accepting the complexity involved in the consideration of societies as an articulation of dynamic processes propelled by a range of actors.

All these elements are included in our approach. In the proposals given, references are made to a social development, which is even described as just. However, neither change as a point of reference or the normative dimension as a core guideline appear explicitly enough to evaluate the system's operation.

2. The Local Human Development (LHD) approach

The general goal of our investigation is to study LHD processes in different social contexts. Achieving individual and collective wellbeing is the result of relational and institutional processes that are produced in a profusion of political spaces (Bastiaensen et al. 2015: 12).

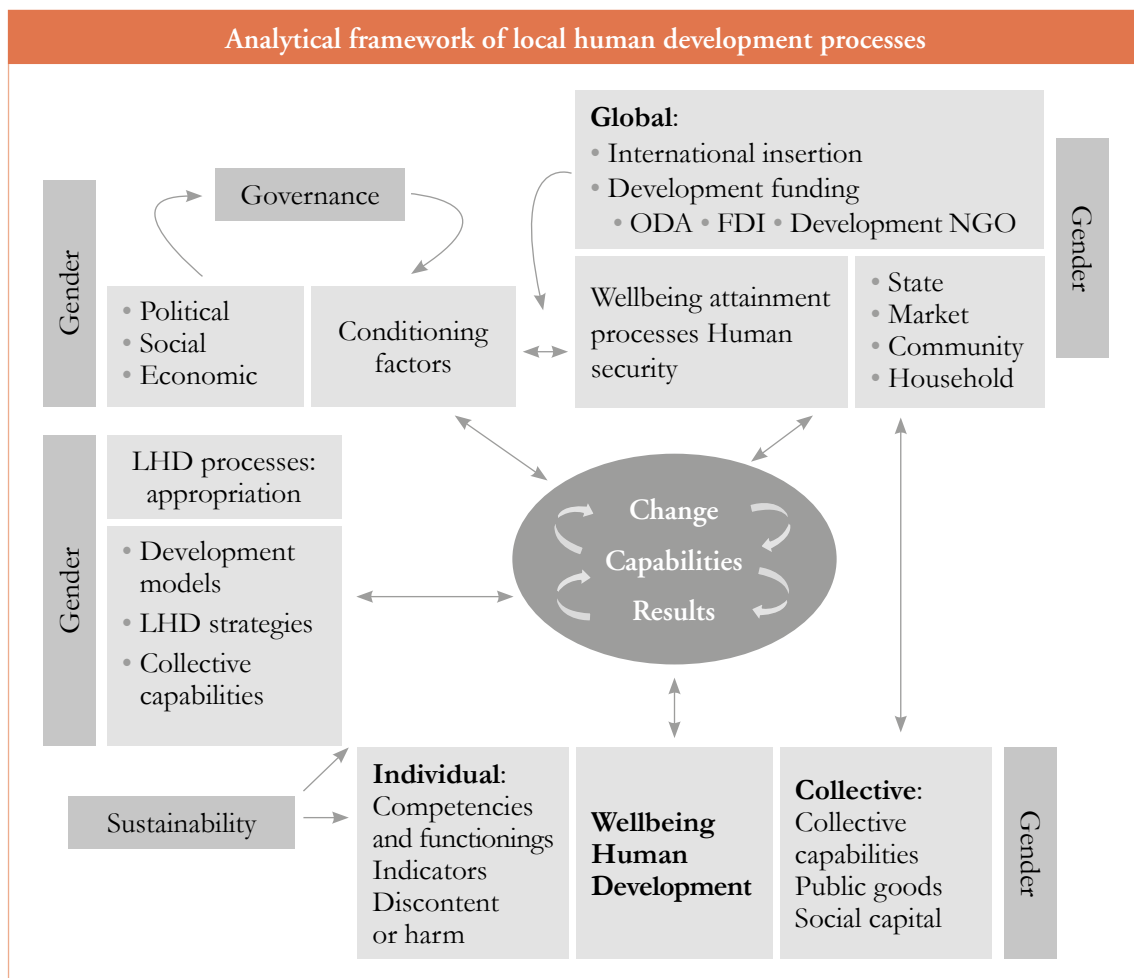
It is proposed that these processes be identified, analyzing the conditions in which they arise and their later evolution, either in the direction of consolidation or weakening, and assessing their impact in terms of LHD results and the revitalization of other processes. The study seeks to find out these processes' relationship within the integrated framework of the operation of local societies, rather than carry out a specific study of each one.

The following definition of LHD is the starting point: *the integrated process, or set of processes, by which each society autonomously determines its desirable and possible future, that is to*

say the wellbeing that it considers to be valuable. This wellbeing is understood as the extension of opportunities for individuals, social groups and territorially organized communities on small and medium scales, as well as the mobilization of their capabilities and resources for common equitable benefit, which takes into consideration gender equity and equity in economic, social and political terms evaluated from the human development perspective.

2.1. The framework's general characteristics

The framework offered for the study is based on the Welfare Regimes Framework proposed by Bath University's WellDev programme¹², although it has been modified to adapt it to the particular emphasis of research into LHD processes.



The aim of this framework is not to act as a theoretical model that explains LHD, but to offer a comprehensive framework of the processes that constitute LHD, which allows:

- a) the identification of these processes, grouping them into categories in as much as they are specifically interlinked;

¹² <http://www.welldev.org.uk/>

- b) the establishment of the most significant relationships that exist among them;
- c) an integrated view of the LHD system in a particular society.

A starting point is a pluralist focus that integrates different methodological approaches when studying the relationships among the different agents and processes taking place. This means accepting that, in order to understand the operation of a complex system, this plurality must be admitted.

The framework does not have the normative aspiration of proposing the set of processes that have to happen in order for a community to obtain LHD results, but rather only aims to understand the dynamic of the processes that occur in all societies.

Furthermore, presenting this framework is not a statement that the studies should be integrated studies of each society. This framework acts to offer a view that allows the coherent consideration as a totality of the partial studies that can be undertaken and that, at the same time, is useful for formulating a research strategy that has LHD as its backbone.

2.2. Central categories

The following sections are proposed as objects of analysis in order to understand the dynamic of LHD processes:

a) Processes for achieving wellbeing

This includes the social or collective and individual or private processes that lead to the wellbeing results characteristic of human development. The consideration of the State, the market, the community and the household as principle sources of the provision of goods and services is the basis of this proposal. Although certain general types or categories can be indicated in the form of an allocation of functions to each of these institutions, each local society has different characteristics in its form of creating the matrix of institutional responsibilities under which the processes for achieving wellbeing processes can be advanced.

The aim is to identify relationships among people and the different institutions that provide the goods and services that constitute the inputs of wellbeing. These relationships are not understood in an isolated way within each institution, but rather they make up an inter-related group. Furthermore, it will be necessary to analyze the links of these processes with the sphere beyond the country level, the global sphere, an aspect that is of growing importance given the interdependence involved in globalization.

b) Conditioning factors or socio-political framework

The social, political and economic structures of the society are a fundamental consideration. They not only channel the forces that operate in different spheres, the links that establish the correlation that exists among them, but also contain tacit

or explicit models of values, attitudes and beliefs. It is a question of going beyond a mere description and offering a dynamic perspective. The objective is to find out the socio-political structures and their place in taking the decisions that affect the group and have an influence on the determination of its future. The analysis of the local society's governance, understood from this broad perspective, will be one of the tasks explained in a specific chapter on methodology¹³.

The territorialisation of public policies is one of the central proposals of a broad vision of local development as a collective project, as was indicated at the beginning of this chapter. Territorializing policies involves a dynamic perception of the territory and transcends any attempts at merely technocratic application, such as decentralization. What is proposed is study of the creative process by which the government and actors design actions that measure, adapt, complement and articulate the measures that the different levels of government and public authorities carry out in the territory, and it puts them on a level with the territory's institutional, cultural, organizational and resource priorities and dynamics.

This process involves: i) dismantling and reconstructing the public authorities' processes of action; ii) examining the relations, alliances and conflicts between the central government and the local governments in order to identify the way in which these instances intervene in each specific policy and with what specific results, indicating the mechanisms and types of coordination generated; iii) clarifying the capabilities of local governments in the process of implementing territorialized public policies, which means understanding the complex structure of inter-institutional relations, where coordination does not always tend to be the cohesive element of the State's engineering.

Territorialization places the emphasis not only on the contents of intervention but also the way in which decisions are taken, the inclusion of all levels of government in creation and implementation, and a dynamic of mutually dependent relations in which those involved face each other and negotiate attention to local priorities in unequal conditions.

c) LHD processes

This section is dedicated to identifying and analyzing those processes involved in the preparation of each society's development strategies, and the effective participation of citizens and social agents, which allows a definition of their degree of appropriation. One of its specific goals is to identify and analyze LHD processes that occur in the solidarity economy space, and a chapter will be dedicated to giving these particular attention.

The three sections above must be compared and assessed with respect to achieving wellbeing results characteristic of human development. The objective is not merely to

¹³ In this respect, Bastiaensen et al. (2015:19-21) highlight the three key spaces of the institutional context that characterize the social dimension: social structure, the rules of play and of institutions, and culture.

analyze the processes that take place in each of them, but to evaluate them according to their appropriateness and effectiveness when it comes to achieving these results. So, the direct links of each of these sections with wellbeing results is a central matter in terms of using the framework.

What are the groups of actors that have to be considered in order to analyze the processes? Woodhill (2010a: 29) distinguishes four groups: government, the private sector, civil society and citizens. It is especially interesting to know what happens within civil society groups and among citizens, since that is where the values are conceived that make up the visions of the future that will struggle to be expressed in each society. By referring to these two groups, it should not be understood that the two act in a consensual or united manner. On the contrary, within them conflicts and struggles occur that are fundamental to understanding the system's dynamics; although, on the other hand, they do play a role together.

It is not a question of describing the different groups in a detailed way or of making a sociological description of each group's different agents, but of: a) making an evaluative analysis that allows the agents and processes that are most relevant to LHD to be identified; b) taking into consideration relationships within the group, with other groups and with the environment.

In this section, a central aspect will be the identification of the socio-institutional factors that limit people's capacity to exercise their agency. These factors can include: unjust social rules, forms of clientelism, exclusionary practices, ideas, etc. (Bastiaensen et al. 2015: 14).

d) Wellbeing results: individuals and groups

The main methodological challenge is the selection of the dimensions to take into account at each level and the indicators to measure each of them. Later on, a first proposal is presented, although the specification of these indicators and evaluative processes, which allow the best possible measurement of wellbeing results, continues to be the main challenge, a task that is so far incomplete and one to which most effort must be dedicated.

e) Transversal categories

Three categories are proposed to take their place in the analysis of the four sections above. These are gender focus, relations with nature and collective capabilities. The transversal nature of collective capabilities is crucial, since it establishes one of the new proposals that the study intends to tackle. Although it appears explicitly in the Results section, it should also be included in the other three. Collective capabilities can be studied both as a process and as a result, and so it makes sense to see it as both, without this involving a duplication.

Lastly, the central circle includes the three-fold reference to Capabilities, Change and Results -taken from Baser and Morgan (2008)- and proposes two tasks: a) the need to

analyze interconnections among the different spaces proposed; and, b) the dynamic character of the analysis, which means considering the links among capabilities, change and results as the engine of human development.

In order for the framework to fulfil the functions intended for it, it is necessary to make progress in setting out the methodology of each of its elements. The transversal categories of gender and environment are dealt with separately. In this study, the methodological proposal is the wellbeing attainment processes proposal, and it takes into account the previous chapters dedicated to capacity building and collective capabilities which also contain methodological guidelines.

3. Wellbeing attainment processes

Achieving people's wellbeing is the result of setting in motion a series of individual and collective processes, which occur within a certain framework of formal and informal institutions. Although bringing about wellbeing cannot happen without the component of personal effort, it cannot be explained or produced, whatever kind or intensity involved in this effort, without the institutional framework within which these private and collective adventures occur.

To study the paths that lead to the attainment of wellbeing, it is necessary to distinguish the social dimension, which includes group and institutional processes, and the private dimension, which includes processes carried out by people or taking place in the home. In this individual dimension there is an immense range of combinations of possible itineraries. Each person or household (depending on which unit is being considered) builds its pathway for searching for and achieving wellbeing in accordance with the capabilities and resources it has available. The study of this dimension is crucial when it comes to understanding how wellbeing is produced in a certain group.

Our study focuses on the analysis of social or group processes, but setting, as a clear starting point, the close interdependence between the two dimensions of the private and the social or group. However creative people are, their modes of access to wellbeing are strongly marked by the general characteristics of the society where they live, which justifies the choice to dedicate our attention to this social dimension.

This social dimension can, in turn, be analysed at different levels: one, the state level, and two, the local level, which can include different sub-levels (municipal, provincial, regional, etc.). The first includes the upper level institutions that exercise an influence or authority over the whole territory. The second covers the specific processes that occur within each sub-level, always bearing in mind the framework of the state, which can have peculiar characteristics when it comes to achieving wellbeing. Although there is a particular concern for the study of the local dimension, and this involves having to consider both levels separately, this differentiation will be methodological, since it is not possible to analyze the local level without having profound knowledge of the mechanisms established by the State. However, the analysis of wellbeing processes is not only about the state framework; local factors of a social, cultural, political and

geographical nature are vital in order to understand each society's potential, difficulties and achievements in terms of achieving wellbeing.

So far three levels for the study of wellbeing processes have been identified. One corresponds to private or individual processes; the other two are referred to as State level and local level processes. Another process, which affects them in an ever more influential way, is the relationship with the exterior, that is to say the space beyond the borders of the State, which we call the global space. To a growing extent, the study of wellbeing attainment processes needs to identify the relations of interdependence that occur in these three levels with that global space.

3.1. Analysis of wellbeing attainment processes

If achieving wellbeing cannot be understood without the operation of the social and economic system, the economic model must be assessed according to its capacity or incapacity to create wellbeing for the population. The priority objective of the reigning economic model in a country should be to ensure enough access to goods and services by the population so that it can enjoy a dignified life. From this macro perspective, the study of wellbeing processes faces two questions to be resolved:

- a) guaranteeing that economic activity produces enough necessary goods and services to satisfy the requirements of a full life for its members;
- b) guaranteeing that the available total of goods and services that a society has at any given moment is distributed among people and households in a way that allows access by all to the resources that are vital to pass what is considered to be the threshold of a decent life, that is to say, wellbeing.

Conventional economic analyses do not give a satisfactory response to these two matters. Therefore, it is vital to deal directly with: a) the availability side, which is not a question of general availability, but which must include the goods and services necessary to achieve the thresholds of a dignified life; b) the accessibility side, which is about ensuring that people have sufficient ownerships¹⁴ to access those goods and services.

This is not enough to guarantee wellbeing, although it is the material basis of wellbeing. Then, material results must be, by means of the individual process, turned into real wellbeing achievements for people, by means of: effective consumption, a real exercising of ownerships, an internal distribution of resources in the home, etc.

a) The relationship between the individual process and the group processes

The consideration proposed above brings with it the importance of the individual dimension in the analysis of wellbeing. In the last instance, wellbeing is only achieved when individuals attain that level of life that allows their lives to be described as

¹⁴ In accordance with the terminology of Sen (1981), given below.

dignified. That is why the economic process of wellbeing must consider a two-fold objective: that these conditions be present so that people can access wellbeing, and that situations of personal poverty not occur.

So, the social process of wellbeing production blends into the private process of wellbeing production. It is in this private process where the available inputs are turned into the personal wellbeing result, or not; this in turn will depend on: a) people exercising their ownerships effectively and accessing the goods and services that can provide a dignified life; b) people, having exercised this capacity, being able to use the goods and services appropriately and taking from them the benefits necessary to achieve wellbeing; and, c) people making private transferrals in a sufficient manner, particularly with regard to distribution within the household, in a way that its members have fair access and unjust usage by some, over others, does not occur.

All attempts to construct wellbeing face, at the stage of the final link of the chain, individuals, concerning whom it must be asked whether their lives are dignified or not. To understand this process it is necessary to proceed with an analysis of the processes included in social structures, in a gradual descent that takes us to the specific mechanisms that affect people's ownerships. In short, understanding people's situations will be crucial in order to effectively evaluate the wellbeing model.

The analysis of private or individual processes means not only knowing quantitative or measurable dimensions regarding results within people, but must also answer the following two questions: a) how do social processes affect people?; b) how do people use resources in order to achieve wellbeing? The first takes us directly to the links between private and the social processes; the second introduces us to internal processes in the private sphere.

The analysis of the relationships between these two dimensions of the processes has, in general, been neglected when it comes to studying the attainment of wellbeing, since both spheres have been considered as relatively independent compartments. The study of wellbeing from this perspective, of processes as a group, taking the interconnections into account, means that the ownerships category is a useful tool for studying those connections.

The methodology proposes Sen's ownerships approach (1981) for the analysis of wellbeing attainment processes, as well as for their opposites, impoverishment processes. Studies of both people's wellbeing and poverty have been characterized by focussing on the consequences or symptoms, but have paid little attention to the causes or processes at their root. Sen's ownerships approach offers a change from the conventional approach by focussing on access to resources rather than simply on their availability.

The dominant concern has been to find out the characteristics of the poor, in such a way that specific policies could be designed in order to soften the impact of macro policies or even design specific parallel policies of incentives to production for poor

sectors. However, the need to reformulate macro policies, because of their negative impact on people's wellbeing, was not considered. From our perspective, criticism of this conventional viewpoint is not only made because of that viewpoint's lack of legitimacy since it does not take the basic normative elements sufficiently into account, but also because it considers that the social/private relationship goes in one way only, from the first to the second, ignoring the interaction that takes place in both directions. This means that there are many factors within people that can affect the improvement of the results of economic activity, especially if poverty is considered not only as a burden, but also, from the ownerships and capability approach, allows discovery of the potential for development located there. Furthermore, working from the perspective of those who suffer and from a detailed explanation of why this failure to achieve wellbeing in people and households came about, will allow a better understanding of impoverishment processes and their consequences. From this perspective, the social processes of wellbeing attainment, and macro policies in particular, can have very different contents and be more effective both in terms of traditional economic goals (growth) and in terms of the elimination of poverty and an increase in wellbeing.

b) The external dimension in wellbeing attainment processes

The understanding of present wellbeing attainment processes must include the analysis of their relationships with external events. In economies characterized by change and transformations due to their new links with the global sphere, the analysis of the relationships between macroeconomic variables and households, on the one hand, and households' responses to adapt to the new situation, on the other, are fundamental.

This involves migrants' remittances, whose effects can simultaneously affect three levels (personal, local and state levels). It also involves international cooperation flows, which will more affect local and state level processes, and have less effect on individual processes, although this will depend in each case. In that it is possible, the processes that originate in the global context will be analyzed at the state level, even if their effects are different at each level, something that will require more detailed research.

It is a fact that many countries have experienced a process of economic and political reform, and that its implementation has affected the definition of their insertion into the international scenario, as well as the modification of the internal relations that establish the allocation of resources among local economic agents. The changes experienced in the two dimensions, internal and external, are not independent, but are rather a consequence of the same phenomenon of reform.

These economic reforms have been structured around two axes: changing the direction of economies, in order that they face outwards, and the internal modifications needed to achieve this result adequately. This second focus, in turn, is based on the emphasis on the market as the institution that determines the efficient allocation of resources, which means liberalizing or deregulating it, and the leading role of the private sector.

From the point of view of our approach, the reforms have caused a profound change in wellbeing attainment processes. Every change process produces modifications, and so a fundamental question will be to identify the consequences involved. Countries' ability to access and obtain the resources they need can be affected by two processes: a) changes in its endowments due to alterations in GDP, investment, savings and, in general, its competitive capacity; and b) changes in the rules governing access, which experience movements that alter, either directly or indirectly, the conditions by which a country accesses markets, particularly changes in prices and protectionist regulations.

In turn, these modifications caused in the social process of wellbeing attainment at the levels of the country and local community have their correlation in the alterations that happen in individual processes. However, the processes of opening economies outwards, as well as impoverishment processes, are not simply the result of the occurrence of external events regarding which institutions and people have no margin of action. The events are understood, modelled and responded to in accordance with the perceptions, potentials and goals that the actors have.

The intensity and extent of this reform process, promoted externally by the multilateral financial institutions and backed by the economies making up the OECD, has brought, over the last three decades, a homogenization of economic policy frameworks to an extent never seen before, by means of the implementation of an economic model. After the crisis at the end of 2008, some of these assumptions were called into question, although it is not yet clear what the resulting framework is. Consequently, it is crucial to understand the regulatory framework of global economic activity that is currently in place, so that this explanation can help us to understand better the effects on the wellbeing of those countries' populations.

One aspect of the analysis will be to take into account the ideas that go into making up the policies of the dominant international actors. The understanding they have of wellbeing and its role as an evaluative guide to economic activity will have significant influence on the design, rhythm and intensity of the application of the policies that are put into practice. In the context of an increasingly interdependent economy, it is essential to know whether the attenuation of external shocks is coherent with internal policies aimed at achieving certain distributive results and poverty elimination. Within each country, the consequences of changes perceived as foreign imposition may be received very differently depending on social and political characteristics. Social cohesion and civil society's organizational capacity may be decisive to the final result. The importance of this link means that a chapter has been dedicated to the analysis of relationships between the local and the global.

3.2. Process models

The research needs to have an analytical model that allows the workings of the processes in each local society to be studied. In the methodological proposal for the analysis of the social dimension of wellbeing attainment processes, reference to the different types of wellbeing state indicated by Esping-Andersen (1990) is vital.

The distinction of the three sources that produce or achieve wellbeing: the State, the Market and the Community or Family, is an essential guide for any study into how a society can attain wellbeing. However, although the different combinations, according to the importance that each of these sources has, are suitable for richer societies, they are not adequate for the ways of working of other societies that have fewer resources available, or have different views of the social order.

Different interpretations of the Esping-Andersen proposal have been given in order to adapt it to the reality of other societies where the State and the Market are not as prominent as they are in European societies. Gough and Wood (2004) propose the Institutional Responsibility Matrix as an analytical framework: a wellbeing regime is an institutional matrix that covers three principle sources of wellbeing: the Market, the Family and the State. Generally speaking, it is the set of institutional agreements, policies and practices that affect wellbeing results and stratification effects in different cultural and social contexts. Based on this definition, Gough and Wood identify three kinds of wellbeing regime: welfare state, informal security and insecurity regime.

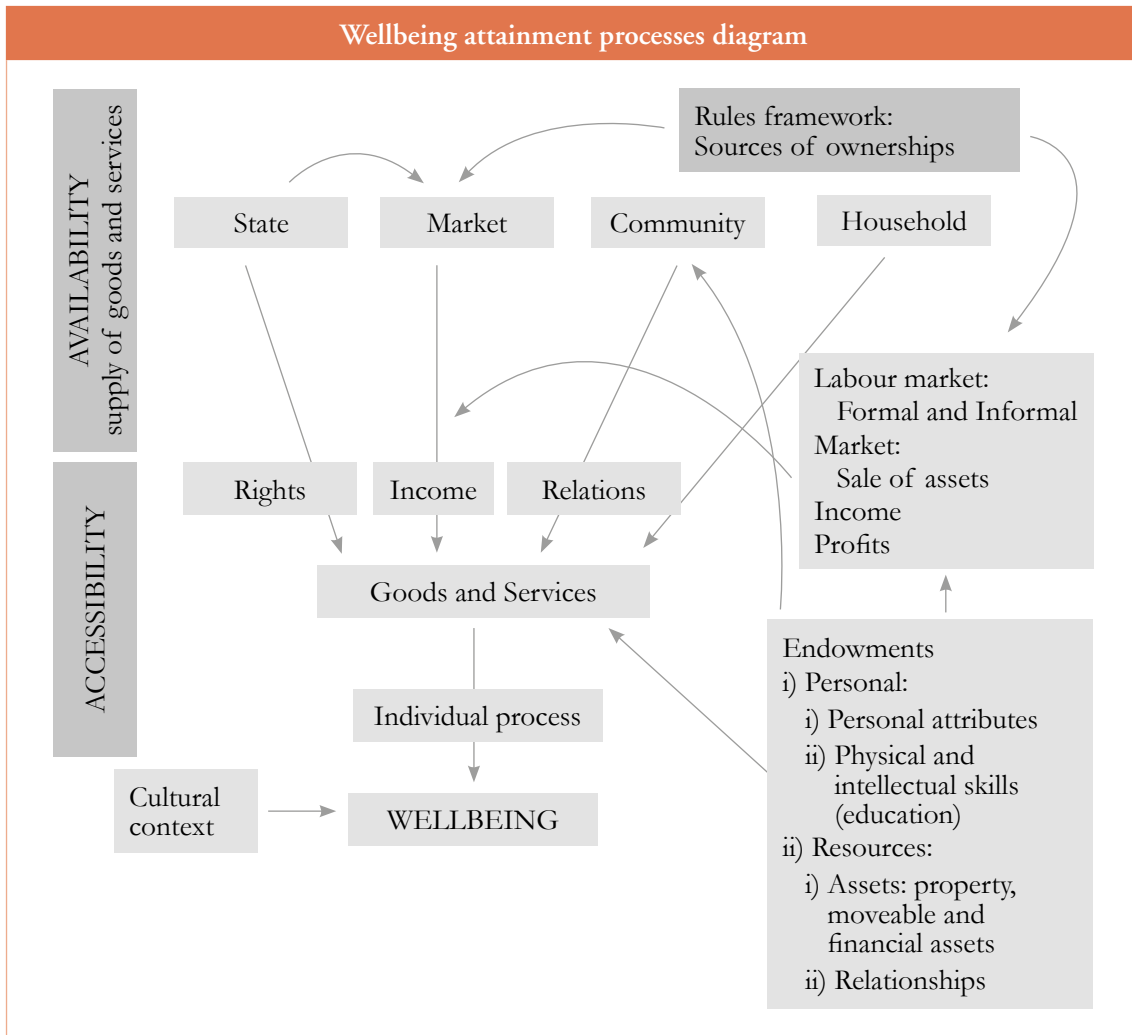
This characterization is overly general; however it is useful as a guide for identifying the different Institutional Responsibility Matrices that can be found in each country or local society. The aim is not so much to proceed with a task of classifying the many matrices that can be found in one of these categories, but rather that this categorization help us to study the wellbeing attainment processes in each country and society.

3.3. The framework of wellbeing attainment processes: Market, State and Society (Community and Household)

Accepting the framework does not predetermine any model or pattern of a process for achieving wellbeing. On the contrary, it offers the possibility to analyze any kind of wellbeing regime. In any case, it begins with a consideration that market expansion does not automatically improve the population's wellbeing. Therefore, it is necessary to consider what the determinants that do not form a part of the market, but which permit access to market goods, are; that is to say, possession of resources and the processes by which people access the market, and what their capacity for participating in decision-making is.

The diagram includes the methodology's central guidelines. Firstly, it shows the division between supply (or availability) processes and accessibility processes. The first category includes the four sources of supply already stated: State, Market, Community and Household. In each society it will be necessary to state the characteristics of the supply of each one.

In terms of accessibility processes, the methodology is more complex. It includes a broad version of the ownerships approach in order to analyse the processes by which people and families access resources. Access is conditioned by the two poles: the endowments they have and the framework of rules that establishes the purchasing capacity that these endowments have. The labour market plays a particularly important role in this adventure of transforming people's endowments into wellbeing resources.



4. Wellbeing results

The last reference point set by our study is to find out whether that local society has the fundamental capability to create public value, whether the combination of collective and individual capabilities means this human system is able to create value. It is understood that there is an added public value when the results, from the human development point of view, are positive.

Therefore, the need for this section is central, since the indicators that will evaluate whether wellbeing really is achieved, and to what extent, are listed here. Our study's proposal rests on human development and so, obviously, these indicators must make reference to capabilities. As was made clear at the beginning, our understanding of wellbeing is based on a consideration of the two dimensions: individual and social.

4.1. Individual wellbeing

This is based on Nussbaum's (2002) list of basic capabilities, since it is considered to be the best attempt to establish the human capabilities needed to assess a person's

wellbeing results. One of the reasons for choosing this list is that it includes, as constitutive elements of wellbeing, relationships with others and the environment. Another is its universal aspiration, despite the criticism over whether its content responds to the demands of universality that she has intended.

Another proposal to determine capabilities was the one drawn up previously by Doyal and Gough (1994), although it does not contain a specific list like the one proposed by Nussbaum, which can act as a guide in order to evaluate wellbeing. However, it has other characteristics that make its methodology attractive, particularly its pragmatism, which smoothes the road towards the search for indicators. This is one of the main obstacles of Nussbaum's list, since, for a number of its capabilities, it is very difficult or even impossible to find indicators that adequately measure those capabilities.

Although the basis will be Nussbaum's list, it will be supplemented by or interpreted through Doyal and Gough's (1994) proposal. In fact, Gough (2003) himself felt that the two could be assimilated. So, in cases where it is particularly difficult to make Nussbaum's list function, the most appropriate indicators for evaluating the extent to which the list of basic capabilities is met can be interpreted in the light of the *Theory of Human Need*.

In short, we do not have a specific proposal of indicators that include the dimensions proposed by Nussbaum. There are survey models, based on this list, designed to gather subjective wellbeing, but they are not appropriate for our objective of selecting indicators. Given that in many cases we do not have indicators to measure certain capabilities, for the purpose of an analysis of wellbeing results we propose the consideration of three categories, depending on the kind of indicators available, which are related, in turn, to the different individual wellbeing categories that can be made.

So, it is proposed that the following be distinguished:

- a) *Objective personal competencies*. Those related to the dimensions of health, education, housing, etc. which make reference to personal aspects of wellbeing that can be measured by objective indicators, whose information source is located outside the person involved.
- b) *Psychological personal competencies*. Those that refer to the person's mood and whose informative basis is located within that person, requiring, for its measurement, that the people involved declare those moods.
- c) *Relational capabilities*. Those that involve a person's capabilities with other people, the community or the environment.

As one would assume, it will be easier to find indicators for group a), although not in all cases. However, it is not easy to find indicators for group b), whose source is located in direct survey methods, as has been stated. In any case, some indicators will be proposed that can offer signs of people's situation, even if they come from sources that are not based on the data provided by people, but rather come from

certain objective situations from which it is possible to perceive what capabilities people have.

It is important to remember the existence of other initiatives that propose a multi-dimensional view of wellbeing, but which do not consider collective dimensions, although they do introduce relational elements. We refer here to the OECD's *Better Life* initiative (<http://www.oecdbetterlifeindex.org/es/>), some of whose indicators can be used as a supplement, because of their multi-dimensional nature. Along these lines, the work of Boarini et al. (2014) is particularly interesting because it adapts the OECD's proposal to the situation of developing countries.¹⁵

4.2. Social wellbeing

If, in order to evaluate people's wellbeing, we establish the profile that we consider must be met for a worthwhile life, what must be taken into account when evaluating a society's wellbeing? First of all, it is important to state the lack of proposals that form an integrated approach to collective wellbeing. There are only publications on some of its elements, although these are certainly relevant, such as collective capabilities, governance, democracy, etc.

The goal is not to have a synthetic indicator that offers an evaluation of social wellbeing, but to have a framework that allows different indicators to be brought together and an overall analysis to be made. In other words, to have a framework that makes available a theoretical analysis proposal. From the point of view of human development, justice forms a substantive part of any serious proposal. Following Deneulin (2014) it is proposed that the idea of social justice, as understood in the capability approach, be a guiding light for an alternative development proposal. Based on its central concepts of wellbeing and agency, the approach can change the narrative from one of development to one of justice. The question is not so much whether societies are more developed, but whether they are less unjust and if they have the basic conditions for people to live well. Replacing the concept of development with one of emancipation and the reduction of injustice has important implications for social and political action.

It is for this reason that we adopt justice as a reference point. It is obvious that the consideration of justice does not apply only to collective wellbeing, since the simple fact of considering basic individual competencies means accepting some minimum principles of justice. In this section, the justice focus takes on a special consideration since it allows the setting of those common goals that must be considered as achievable at every historical moment in order to be able to assess that the society in question is improving its justice results from a collective point of view. Collective wellbeing is either based on justice or it is not wellbeing. Put another way, without justice it is impossible to say that social wellbeing has been attained. It is supposed that this outlook can create few objections, although a range of opinions will come up when

¹⁵ A list of the proposals for measuring wellbeing in McGregor et al. (2015).

it comes to detailing the contents of justice. Despite the strong links between the capability approach and the justice approach, there are no detailed proposals that allow the justice approach to be applied from the point of view of human development, although Nussbaum's list of basic competencies is perhaps the most advanced essay, despite the fact it is limited to the individual sphere.

In order to analyze wellbeing results in relation to justice, we take on the proposal of Fraser (2008), which considers that justice has three central demands: redistribution, recognition and representation. Any justice-based proposal for a society must find a response to these three questions: what capacity does a society have to redistribute its resources fairly, to recognize the differences characteristic of each person or group and to establish a decision-making system that includes the appropriate representation of different interests?

In our case it is also a question of checking to what extent LHD processes result in changes to the society that make it more just. That is to say, if results in the different justice dimensions are achieved: i) is there better redistribution? Is the society fairer? ii) Is there more peaceful coexistence among the different groups? Is there a greater respect for human rights? iii) Is there a greater participation by groups and people on communal matters? Do the public authorities work more effectively when it comes to achieving human development goals?

From the justice-based perspective, the medium-term goal will be to establish a list of indicators that measure social wellbeing by: a) redistribution, with particular attention to gender equity, which includes the structure of distribution of variables that are relevant to wellbeing (health, education, income, etc.) by age, region, identity group; b) recognition, which reflects harmonious coexistence among different groups, respect for human rights, acceptance of tendencies to form associations, etc.; and, c) representation, which allows an evaluation of the operation and quality of the democratic system, the participation of people and groups in decision making, the system of governance, etc. Therefore, the evaluation of institutions is considered, and in order to do this it will be necessary to select those indicators that allow qualitative evaluation of their collective capabilities with regard to human development results.

As well as the three justice-related dimensions, it will be necessary to assess the material bases of collective wellbeing. That is to say, the availability and quality of those resources that are vital for considering collective wellbeing, such as certain public goods: health, education, justice administration, leisure/culture, employment, etc. and particularly use of natural resources and the impact on the environment of productive activities.

A brief consideration regarding the availability of integrated indicators that can be employed to measure collective wellbeing: firstly, it is important to mention the Human Development Index (HDI) which the UNDP has published every year since 1990 in its annual report. Without entering into a critical analysis of this index, it is clear that it does not respond to the goals of this methodology, although it can serve for other

purposes. The limited wellbeing dimensions that it considers (health, education and income) as well as the simplicity of the indicators on which its arguments are based are enough reason to reject it.

Secondly, the debate about the usefulness of integrated indicators is always open. Not only is the weakness of the existing indicators questioned, but also it has to be asked whether the goal of seeking a single indicator for the overall measurement of wellbeing makes sense. The fact is that initiatives keep appearing in this field. For example, the Social Progress Index (SPI) is the most recent social wellbeing indicator to appear as a proposal to replace per capita income¹⁶. Although it considers the need to include the normative dimension in the economic and social development index, it sidesteps the essence of the normative question by assuming that value judgements about the nature of personal spiritual wellbeing are resolved, and it is limited to accepting the focus on rights and, more explicitly, the universal declaration of human rights.

¹⁶ <http://www.socialprogressimperative.org>

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